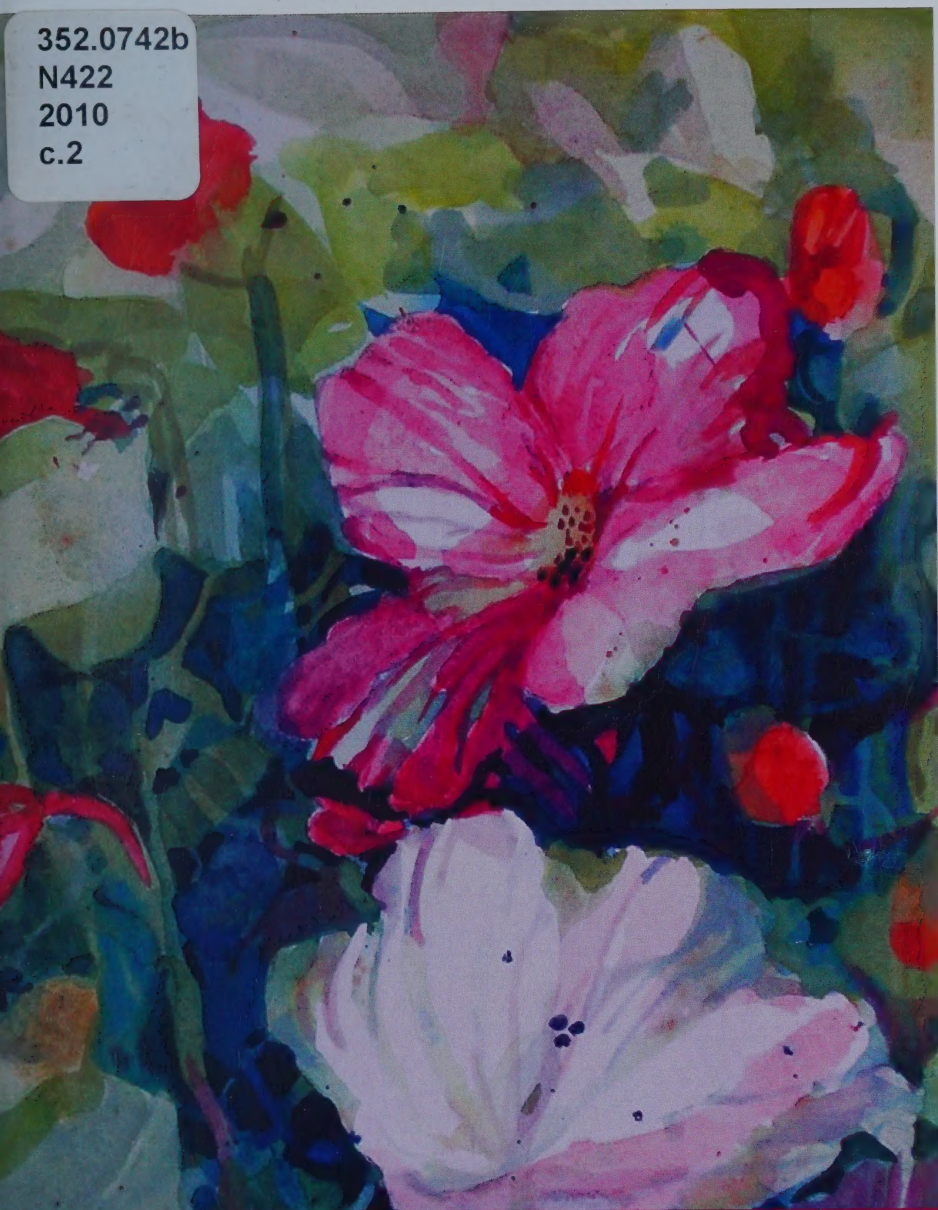


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2010 ANNUAL REPORT
TOWN OF NEW CASTLE
NEW HAMPSHIRE

WWW.NEWCASTLENH.ORG

COVER ARTWORK CREDIT

Dustan Knight is a long time New Castle resident. She remembers attending MHT school in third grade (when she also met her future husband Charles Tarbell). After going to college in the South and earning a MFA from Pratt Institute, living and exhibiting in New York City she returned to New Castle in the early nineties. Dustan completed a MA in Art History at BU and settled into teaching positions at area colleges. She got married and raised her family here in her hometown. Her art work can be seen locally at Three Graces Gallery in Portsmouth, sometimes at Henrys' and on her web site dustanknight.com.

On behalf of the residents of New Castle, we are all very grateful to have so many gifted artists that share their talents with gracing our town report through the years. This year, Dustan Knight has kindly allowed us to use some of her artwork for our front and back covers for the 2010 town report. Her artistic ability is obvious, but her use of colors from the marvelous analogous colors of reds, complimentary greens sprinkled with hints of midnight blues creates an intrinsic value for our eyes to absorb. Her innate capability to capture the essence of such beautiful flowers is truly a remarkable talent.



Annual Report
For the Town of New Castle
Fiscal Year 2009-2010

PETER GAMESTER

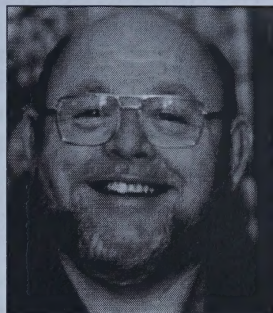
SPECIAL RECOGNITION & DEDICATION

A man ought to work. That's what he's here for.

That's how he contributes to the welfare of the community.

W. Somerset Maugham (1874 - 1965), *The Razor's Edge*, 1943

Peter and Carol Gamester built their gambrel house at 49 Main Mast Circle in 1973, and brought up three sons and one special daughter. Their family now has amassed to eight grandchildren and one very lucky dog named "Oreo." Peter worked for New England Telephone Company and retired in 1988. It has been reported that he was an unofficial employee for Argosy Travel for many years, delivering travel tickets, being a wizard at fixing everything and was even put to the test by answering the phones.



The town elected him as Selectman in 1976 and he stayed on until 1995 only to be coaxed back into office in 2000 and now with his second retirement this May of 2011 with thirty years of dedicated service to the town. Peter also gave five years on the Planning Board and two years as the Building Inspector. This dedicated civil servant has seen enormous changes during those years in the town from overseeing the mandated sewer lines, obtaining the land for the Great Island Common, the closing and reconstruction of the Wentworth Hotel, buying islands, many new buildings to include the recreation building, safety complex and lastly the public works building.

His plowing prowess is a legend to behold through the years. The infamous red truck cruises the streets daily to assure that "all is well with the town." Next to his plowing ability, his legendary artwork on various papers at meetings is known by all. Those filled in circles are a signature artwork worthy of Picasso status. Those darkened circles pale compared to his notorious reverence for cold weather and the wearing of the "shorts." We will look back to his renowned career with his sense of humor.

On behalf of the town residents and employees, we give thanks to your many dedicated and faithful years of service, the benefits of your expertise and knowledge that you gained from the many years of serving the town is beyond what words can express in a mere thank you, and most of all for showing us your kindler and gentler side.

I know, indeed, of nothing more subtly satisfying and cheering than a knowledge of the real good will and appreciation of others. Such happiness does not come with money, nor does it flow from fine physical state. It cannot be bought. But it is the keenest joy, after all; and the toiler's truest and best reward. **William Dean Howells**

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N: H: STATE LIBRARY

MAY 09 2011

CONCORD, NH

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Selectmen's Letter

We are pleased to report another year of solid progress toward our goals of maintaining and enhancing the resources, facility, governance, and way of life of our community. It is important to note that underlying all of the progress are our talented and dedicated employees and volunteers.

Over the past year, the Select Board undertook a new procedure for annual employee evaluations. Job descriptions were reviewed and updated, and then a four-part process for performance reviews was implemented. The new process focuses on much more give-and-take between the employees and their respective managers: self-evaluation forms as well as manager's evaluation forms are filled out, and then a series of discussions take place culminating in a mutually agreed upon list of goals and objectives to be accomplished in the coming year. Feedback from all parties about this new process has been quite positive and beneficial.

Since the last Town Meeting, the Town has made several capital investments. The voters approved the construction of a new Public Works Building, completed and occupied in December. The new building replaces the "caboose", which some may recall started life as an addition to the MHT School in the 60's and was moved to the Common in the early 90's. The Town also used funds from the Vehicle & equipment Trust to purchase a Pierce fire engine to replace a 27 year- old vehicle, and by fiscal year end, will have replaced one of the police vehicles. These purchases were part of our regular program of scheduled maintenance and replacement.

The New Castle tax rate for 2010 (July 1, 2010 – June 30, 2011) is \$5.80 up from \$4.97 in 2009. The actual operating expenses of the Town were budgeted to be approximately \$78,000 higher this year than last. Virtually all of the increase (\$76,000) is attributable to the addition of personnel in the Police Department to provide 24-hour coverage.

The Town also provided for modest wage and salary increases for employees. Adjusting for these two items, the remainder of the budget is down 1.2%. The impact on the tax rate was offset by utilizing a portion of the unreserved fund balance. This is a "rainy day" reserve of funds accumulated in those years when our actual operating expenses are less than budgeted.

The tax rate also includes the impact of capital investment warrant articles approved at recent Town Meetings. These include the current year principal and interest payments on the 10-year bonds for the new Public Safety building and the purchase of the back channel islands. This was the first year of principal payments and the first full year of interest payments. The impact of the bonds is about \$0.26 in the current year and then will gradually decline to about \$0.20 over the 10-year life of the bonds. In addition, the new Public Works building will be completely paid for in the current fiscal year. The remainder of the increase is attributable to the school budget, up \$0.32 or 13%.

Looking ahead, the Statewide Education Property Tax (donor towns) is scheduled to take effect in July. The current formula would require New Castle to contribute slightly over \$1.1

million; this would add about \$1.60 or 28% to next year's tax rate. It should be noted that several bills, including a constitutional amendment, have been introduced in both the House and the Senate to postpone, modify, or repeal the legislation. The Governor and many legislators have expressed their opposition to donor towns. Whether the political will and necessary votes will be there remains to be seen.

On the other hand, the Governor's proposed budget is predicated on reductions in state aid and increased costs to municipalities. The most significant would be the elimination of the state's 35% portion of employee retirement expense.

The Town is required by the State to reassess property at least every 5 years or sooner if there is a significant disparity between actual sales and assessments based on an annual sample of transactions. All properties in New Castle will probably be reassessed this summer. Obviously, the Town will still need to collect the same total dollars in property tax. Therefore, if assessed values go down, the tax rate will go up a corresponding amount so that the taxes paid by the average homeowner will remain the same.

The town website is about to get a wonderful facelift. We have hired a new firm that exclusively designs and manages municipal websites, including more than 50 websites in NH alone and 200 other municipal websites around the country. New Castle's new website should be up and running by this summer and promises to be much more comprehensive and user-friendly. Even during this interim time, we encourage you to log on and give us your email address. You'll be the first to receive important announcements and notices about town matters, as well as links for the Island Items newsletter. Our website address is www.newcastlenh.org. Once the new design is complete, we'll send you an announcement with a couple of questions about what types of alerts you'd like to receive from the town in the future, if any. It will be a great way to keep informed about what's going on in town if you so choose.

Finally, the Board of Selectmen would like to encourage people to not only utilize the web site, but to attend public meetings of boards and committees. The input of informed residents is essential to the deliberative and decision making process.

New Castle Board of Selectmen
Lorn Buxton,
Peter Gamester
Patty Scholz-Cohen

March 13, 2011

New Hampshire Elected Officials

NATIONAL

Senator Kelly Ayotte
New Hampshire Office
41 Hooksett Road Unit 2
Manchester, NH 03104
603-622-7979

Senator Jeanne Shaheen
New Hampshire Office
1589 Elm St., Suite 3
Manchester, NH 03101
603-647-7500

US Rep. Frank Guinta
New Hampshire Office
33 Lowell Street
Manchester, NH 03101
603-641-9536
District 1

STATE

Governor
John Lynch
State House
25 Capitol Street
Concord, NH 03301
603-271-2121

Executive Councilor
Christopher Sununu
71 Hemlock Court
Newfields, NH 03856
603-658-1187
District 3

State Senator
Nancy F. Stiles
1 Hayden Circle
Hampton, NH 03842-1165
603-271-6933

REPRESENTATIVES

Representative
Brian Murphy
496 Wallis Road
Rye, NH 03870-2243
603-234-4031

Representative
Will Smith
PO Box 808
New Castle, NH 03854
603-436-6865

Town Officers–Elected/Appointed

Town Clerk/Tax Collector	Priscilla Hodgkins	term exp 5/13
Deputy Town Clerk	Carol Gamester	indef appt
Deputy Tax Collector	Pamela Cullen	indef appt
Selectboard	Lorn Buxton, Chair	term exp 5/13
	Peter Gamester	term exp 5/11
	Patricia Scholz-Cohen	term exp 5/12
Treasurer	William B. Marshall, III	term exp 5/11
Deputy Treasurer	Ronald Gagne	indef appt
Chief of Police	Donald A. White Jr.	indef appt
Sergeant	Alex Mitrushi	indef appt
Patrolman	Jared Knox	indef appt
Patrolman	Matthew Tyler	indef appt
Patrolman	Kurtis Boissonneault	indef appt
Patrolman	Derek Poirier	indef appt
Animal Control Officer	Donald A. White Jr.	indef appt
Building Inspector	Donald Graves	indef appt
Sup Public Works	Brad Meade	indef appt
Road Agent	Brad Meade	appt exp 5/11
Town Moderator	Wayne Semprini	term exp 5/12
Health Officer	Dr. James Zuckerman	state appt
Deputy Health Officer	Dr. Gordon Hand	state appt
Town Historian	Deborah Schulte	indef appt
Fire Chief	David Blanding	indef appt
Deputy Fire Chief	Mark Wooley	indef appt
Fire Wards	Peter Rice	term exp 5/12
	Reginald Whitehouse	term exp 5/13
	Carl Roediger	term exp 5/11
Energy Committee	Sandra Bisset, Chr.	appt exp 5/12
Public Works Board	Walter Liff, Chr.	appt exp 5/12
	Normand Houle	appt exp 5/12
	John Ireland	appt exp 5/13
	Walter Glidden	appt exp 5/13
Alternate	Reginald Whitehouse	appt exp 5/11
Alternate	Chester Fessenden	appt exp 5/13
Ex-Officio/Selectman	Peter Gamester	term exp 5/11
Planning Board	Haden Gerrish, Chr.	term exp 5/11
	Stuart Levenson	appt exp 5/12
	David Merrill	appt exp 5/13
	Ned Robinson	appt exp 5/12
	Eric Katz	appt exp 5/13
Alternate	Darcy Horgan	appt exp 5/12
Alternate	David McArdle	appt exp 5/13
Alternate	Mark Connolly	appt exp 5/11
Ex-Officio/Selectwoman	Patricia Scholz-Cohen	term exp 5/12

Board of Adjustment	Ned Robinson, Chr.	appt exp 5/12
	Russell Cox	appt exp 5/13
	Donald Moore	appt exp 5/12
	Will Smith	appt exp 5/11
Alternate	Mark Gardner	appt exp 5/13
Alternate	Todd Baker	appt exp 5/13
Historic District Committee	Nancy Borden, Chr.	appt exp 5/12
	Elaine Nollet	appt exp 5/13
	Marjorie Smith	appt exp 5/13
	Peter Follansbee	appt exp 5/11
Alternate	Irene Bush	appt exp 5/11
Ex-Officio/Selectwoman	Patty Scholz-Cohen	term exp 5/12
Planning Board Rep	Haden Gerrish	term exp 5/13
Conservation Commission	Elisabeth Hume, Chr.	appt exp 5/11
	William Stewart	appt exp 5/12
	Linda Ball	appt exp 5/13
	Brian Mack	appt exp 5/11
	Alex Kennedy	appt exp 5/13
	Curt Gillespie	appt exp 5/11
	Nancy Gulley	appt exp 5/13
Alternate	Diane Appleton	appt exp 5/11
Alternate	Wm. B. Marshall, III	appt exp 5/12
Alternate	James Rini	appt exp 5/11
Budget Committee	Damon Frampton, Chr.	term exp 5/11
	Thomas Smith	term exp 5/12
	David Borden	term exp 5/13
Ex-Officio/Selectman	Lorn Buxton	term exp 5/13
Ex-Officio/School Board	Roderick MacDonald	term exp 5/12
Trustees of the Trust Funds	William Cronin, Chr.	term exp 5/11
	Peter Reed Jr.	term exp 5/13
	Thomas Smith	term exp 5/12
Library Trustees	Brad Greeley, Chr.	term exp 5/11
	Jenny Rosenson	term exp 5/11
	Sandra DeSisto	term exp 5/13
Alternate	Deedee Hammer	appt exp 5/11
Alternate	Anna Ambrogi	appt exp 5/11
Library Director	Christine Collins	indef appt
Supervisors of the Checklist	Sherrie Becker	term exp 5/14
	Mary Rauh	term exp 5/12
	Darcy Horgan	term exp 5/16
Cemetery Trustees	David Merrill, Chr.	term exp 5/13
	Jim Cerny	term exp 5/11
	Terri Golter	term exp 5/11
Recreation Committee	Guy Stearns, Chr.	appt exp 5/12

TOWN OF NEW CASTLE, NEW HAMPSHIRE

Elected Positions And Salaries

<u>Position</u>	<u>Annual Salaries</u>
Selectman, Chair	\$ 2,000
Selectman (2)	1,800
Town Clerk/Tax Collector	19,500
Treasurer	4,000
Cemetery Trustee (3)	100
Moderator	100 per election
Supervisor of the checklist (3)	100 plus \$100 per election
Trustee of Trust Funds (2)	100
Trustee of Trust Funds, Bookkeeper	250
Historian	250

There are many others who participate in Town Government on an unpaid basis, and their service is most valuable to the success of our Town. These individuals deserve the whole hearted thanks of the community for their civic involvement.

Town Meeting Minutes

Tuesday, May 11, 2010

Town Moderator Wayne Semprini called the meeting to order at 7:05pm. Citizens joined in the Pledge of Allegiance. The Moderator asked for a moment of silence for the town's people who had passed away this year. Moderator gave a brief review of rules of procedure.

ARTICLE I: To choose all necessary Town officers for the following year:

Town Clerk/Tax Collector – 3 year term	Priscilla Hodgkins	207
Select Board Member – 3 year term	Lorn Buxton	201
Treasurer	William Marshall	203
Budget Committee - 3 year term	David Borden	172
Fire Ward – 1 year term	Carl Roediger	184
Fire Ward – 3 year term	Reginal Whitehouse	199
Cemetery Trustee – 3 year term	David Merrill	204
Town Moderator – 2 year term	Wayne Semprini	201
Trustee of the Trust Funds – 3 year term	Peter Reed	197
Library Trustee – 3 year term	Sandra DeSisto	196
Supervisor of the Checklist- 6 year term	Darcy Horgan	193
School Board Member – 3 year term	Heather Driscoll	199

ARTICLE II: Zoning Amendment Number 1: Rules of Procedure

Are you in favor of adopting Zoning Amendment Number 1, as proposed by the Planning Board to amend the Zoning Ordinance under Section 10.0 Board of Adjustment, Rules of Procedure?

BALLOT ITEM; YEA: 141; NAY: 57

ARTICLE III: Zoning Amendment Number 2: Criteria For Variances And Special Exceptions

Are you in favor of adopting Zoning Amendment Number 2, as proposed by the Planning Board to amend the Zoning Ordinance under Section 10.0 Board of Adjustment.

BALLOT ITEM; YEA: 151; NAY: 48

ARTICLE IV: Zoning Amendment Number 3: Zoning Ordinance under Section 4.1.6. Mixed Use District Section 3 Prohibited Uses.

Are you in favor of adopting Zoning Amendment Number 3, as proposed by the Planning Board to amend the Zoning Ordinance under Section 4.1.6. Mixed Use District Section 3 Prohibited?

BALLOT ITEM; YEA: 135; NAY: 73

ARTICLE V: Building Code Number 1: Amend the Building Code under Section 8 (b) for Permit Fees for constructions, installation, alteration, relocation, or demolition of a building. Are you in favor of adopting Building Code 1, as proposed by the Planning Board to amend the Building Code under Section 8 (b) Permit Fees

BALLOT ITEM; YEA: 134; NAY: 74

ARTICLE VI: To see if the Town will vote to raise and appropriate the Budget Committee's recommended operating budget in the amount of \$2,110,719 for the general operation of the Town.

Recommended by the Budget Committee and the Board of Selectmen

After brief discussion the question was posed.

VOICE VOTE: APPROVED UNANIMOUSLY

ARTICLE VII: To see if the Town will vote to raise and appropriate the sum of \$100,000 to be added to the Vehicle and Equipment Trust Fund previously established.

Recommended by the Budget Committee and the Board of Selectmen

Following discussion, the question was posed.

VOICE VOTE: APPROVED UNANIMOUSLY

ARTICLE VIII: To see if the Town will vote to raise and appropriate the sum of \$198,500 for the construction of a new Public Works building to replace the existing temporary Public Works building and to authorize the use of \$99,250 from the town's unreserved fund balance, with the balance of \$99,250 to be raised by taxation. This will be a non-lapsing appropriation per RSA 32:7, VI and will not lapse until the project is completed or June 30, 2012, whichever is sooner.

Recommended by the Budget Committee and the Board of Selectmen

Secret ballot requested in writing by 6 citizens for this article.

Discussion of finances and need followed by secret ballot.

SECRET BALLOT: YEA: 141; NAY: 17.

ARTICLE IX: To see if the Town will vote to raise and appropriate the sum of \$13,500 to be used to pay Town donations to local non-profit agencies.

Recommended by the Budget Committee and the Board of Selectmen.

Discussion: none

VOICE VOTE: APPROVED UNANIMOUSLY

ARTICLE X: To see if the town will vote to establish a Recreation Revolving Fund pursuant to RSA 35-B:2, II.

The money received from fees and charges for recreation programs shall be allowed to accumulate from year to year, and shall not be considered to be part of the town's general fund unreserved fund balance. The town treasurer shall have custody of all monies in the Recreation Revolving fund, and shall pay out the same only upon order of the recreation committee (no further town meeting approval is required). These funds may be expended only for recreation purposes as stated in RSA 35-B, and no expenditure shall be made in such a way as to require the expenditure of other town funds that have not been appropriated for that purpose.

After brief discussion the question was posed.

VOICE VOTE: APPROVED UNANIMOUSLY

ARTICLE XI: On petition of Daniel Hughes and 29 other legal voters of New Castle to see if the Town will vote to approve the following resolution to be forwarded to our State

Representatives(s), our State Senator, the Speaker of the House, and the Senate President.

Resolved: The citizens of New Hampshire should be allowed to vote on an amendment to the New Hampshire Constitution that defines "marriage".

Moderator read a note from Representative Will Smith from Dan Hughes stating that he is not the prime sponsor of the petition as implied in the town warrant.

Moderator read the article as printed in the Town Warrant.

Representative Will Smith began discussion with statement that since the legislature has already met and addressed this issue, the article is moot and should be postponed indefinitely.

Vote to postpone indefinitely: VOICE VOTE: APPROVED UNANIMOUSLY

Brief interruption of business:

Moderator thanked Leslie Parker for many years of service as Chair of the Supervisors of the checklist.

ARTICLE XII: To hear the reports of agents, officers, committees, boards, and others heretofore chosen and to pass any vote in relation thereto.

Norman Rice stood to give a sidewalk Safe Path report in which he invited citizens to look at drawings at back of room. He gave an update on progress of the project: engineering firm to draw plans, the committee took steps to get the federal grant; all work is progressing; next year they will ask for budget to cover 20% of the cost of the project with 80% to be covered by federal grant.

Margaret Hartford read a statement and correspondence with NH State Attorney General Delany regarding the education tax, which, according to the Constitution of the United States, is unlawful.

ARTICLE XIII: To transact such other business as may legally come before the meeting. No other business to transact.

Moderator adjourned the meeting at 8:20 pm.

Submitted by:
Priscilla Hodgkins
Town Clerk

TOWN OF NEW CASTLE, NEW HAMPSHIRE
Town Officials Surety Bonds In Force

NHMA PROPERTY /LIABILITY INSURANCE TRUST

Effective July 1, 2010

<u>POSITION</u>	<u>AMOUNT</u>
TAX COLLECTOR	\$77,000
DEPUTY TAX COLLECTOR	77,000
TREASURER96,000
DEPUTY TREASURER96,000
TOWN CLERK.	36,000
DEPUTY TOWN CLERK.	36,000
TRUSTEES OF TRUST FUNDS (3).154,000
LIBRARY TRUSTEES (3)	5,000
BOAT PERMIT FEE AGENT (2).	1,000

TOWN OF NEW CASTLE, NEW HAMPSHIRE ANNUAL FINANCIAL STATEMENTS

MANAGEMENT'S DISCUSSION AND ANALYSIS JUNE 30, 2010

As management of the Town of New Castle, we offer readers this narrative overview and analysis of the financial activities for the fiscal year ended June 30, 2010.

A. Financial Highlights

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$26,530,528. (See note C following)
- At the end of the current fiscal year, the unreserved fund balance in the general fund was \$744,748 a decrease of \$7,326 over the preceding fiscal year.
- There was long term debt (i.e., bonds payable) of \$1,220.325 at the close of the current fiscal year.

B. Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the Town of New Castle's basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements.

Government-Wide Financial Statements. The government-wide financial statements are designed to provide readers with a broad overview of the Town's finances in a manner similar to a private sector business.

The Statement of Net Assets presents information on all of the Town's assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The Statement of Activities presents information showing how the Town's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flow. Thus, revenues and expenses are reported in this statement for some items that will result in cash flows in future fiscal periods (e.g., uncollected taxes).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities of the Town of New Castle include general government, public safety, highways and streets, sanitation, health and welfare, and culture and recreation. The business-type activities include water and sewer operations.

Fund Financial Statements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance related legal requirements. All of the funds can

be divided into three categories: governmental, proprietary, and fiduciary.

Governmental Funds. Governmental funds are used to account for essentially the same functions reported as government activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on the near term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long term impact of the government's near term financing decisions. Both the governmental fund Balance Sheet and Statement of Revenues, Expenditures and Changes in Fund Balance provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary Funds. Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. Specifically, enterprise funds are used to account for water and sewer operations.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations, both of which are considered to be major funds of the Town of New Castle.

Fiduciary Funds. Fiduciary funds are used to account for resources held for the benefit of parties outside the government. Fiduciary funds are not reflected in the government-wide financial statements because the resources of those funds are not available to support the Town's own programs. The accounting used for fiduciary funds is much like that used for proprietary funds.

Notes to Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide fund and financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by the Governmental Accounting Standards Boards (GASB).

C. Government-Wide Financial Analysis

The following is a summary of condensed government-wide financial data for the current fiscal year as well as comparative information for the prior year.

FY2010:	Governmental Activities	Business Type Activities	Total
Total assets	\$ 25,591,196	\$ 2,249,513	\$ 27,840,709
Total liabilities	1,294,504	15,677	1,310,181
Total net assets	\$ 24,296,692	\$ 2,233,836	\$ 26,530,528
	=====	=====	=====

FY2009:	Governmental Activities	Business Type Activities	Total
Total assets	\$24,246,624	\$2,279,954	\$26,526,578
Total liabilities	29,801	577	30,378
Total net assets	\$24,216,823	\$2,279,377	\$22,496,200
	=====	=====	=====

By far the largest portion of net assets, is our investment (95.5%) in capital assets (e.g. land, buildings, machinery and equipment) less any related debt, if any, used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate such liabilities.

D. Financial Analysis of the Government's Funds

As noted earlier, fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements.

Governmental funds. The Town has only a General Fund in this category. The focus of governmental funds is to provide information on near- term inflows, outflows and balances of spendable resources. Such information is useful in assessing financing requirements. In particular, unreserved fund balance may serve as a useful measure of government's net resources available for (1) future emergency expenditures, and (2) funding future appropriations.

Proprietary funds. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year amounted to \$430,181. Factors concerning the finances of propriety funds have already been addressed in the entity-wide discussion of business-type activities.

E. Taxes

The New Castle tax rate is \$4.97, up from \$4.68. The increase in the tax rate was the result of several factors, primarily schools and warrant articles. The warrant article impacts include interest payment on the bond for the new Public Safety building, the engineering study for the proposed sidewalks, and a slight increase in the contribution to the Vehicle and Equipment Trust Fund. It should be noted that the impact of the bond is about \$0.05 in the current year.

This will jump to approximately \$0.22 next year and then gradually decline to \$0.16 over the 10-year life of the bond. The actual operating expenses of the Town were approximately the same in fiscal year 2010 as in 2009. The Town portion of the tax rate increased as the result of two factors. The state reduced revenues that they had traditionally passed on to cities and towns and increased certain charges. The Town also provided for modest wage and salary increases for employees. Looking ahead, the Statewide Education Property Tax (donor towns) is scheduled to take effect July 1, 2011. The current formula would require New Castle to contribute slightly over \$1.1 million; this would add about \$1.60 or 32% to the tax rate. It should be noted that there is still some chance that the Governor and legislature will modify the law.

F. Back Channel Islands

At a Special Town Meeting, called by petition, on December 1, 2009, the purchase of the Back Channel Islands was overwhelmingly approved by voice vote. The transaction closed December 30, 2009. The total cost of the project, approximately \$188,000, was financed by a \$150,000 ten-year bond and over \$40,000 in private donations. The islands are protected by a conservation easement held by the Southeast Land Trust.

G. Public Works Building

The May Town Meeting approved \$198,500 for the construction of a new Public Works building, and authorized the use of \$99,250 from the town unreserved fund balance, with the balance of \$99,250 to be raised by taxation. The project will be completed and paid for in the current calendar year.

H. Vehicle & Equipment Trust Fund

The Town voted to appropriate \$100,000 to be added to the Vehicle and Equipment Trust Fund. This continues our program of annual funding. The purpose of the program is to provide for major vehicle and equipment purchases, lease, or refurbishment, as necessary, to assure that the Town can maintain and replace assets as they age. As part of that program, the Town entered into a contract with Pierce Manufacturing to purchase a fire engine for \$388,444 with funds from the Trust to replace a 27 year old engine.

I. Recreation Revolving Trust

The Town also voted to establish a Recreation Revolving Fund. The money received from fees and charges for recreation programs will be allowed to accumulate from year to year, and will not be considered to be part of the town's general fund. These funds may be expended only for recreation purposes.

Requests for Information:

This financial report is designed to provide a general overview of the Town of New Castle's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Board of Selectmen
PO Box 367
New Castle, NH 03854

TOWN OF NEW CASTLE, NEW HAMPSHIRE
STATEMENT OF NET ASSETS
GOVERNMENT-WIDE FINANCIAL STATEMENTS
for the fiscal year ended June 30, 2010

	<u>Gov. Activities</u>	<u>Bus.Type Act.</u>	<u>Total</u>
<u>ASSETS</u>			
Current			
Cash & Short-term investments	\$ 676,246	\$ 187,248	\$ 863,494
Accounts receivable	2,376	10,590	12,966
Due from Enterprise funds	15,677	0	15,677
Prepaid Expenditures	100,000		100,000
Noncurrent:			
Accounts receivable	31,840	0	31,840
Capital assets (net of depreciation)	24,764,028	2,051,675	26,815,703
Deeded property	1,029	0	1,029
Total Assets	\$ 25,591,196	\$ 2,249,513	\$27,840,709
<u>LIABILITIES</u>			
Current			
Accounts payable	74,179	0	74,179
Current portion of long-term debt	120,325	0	120,325
Due to general fund	0	15,677	15,677
Noncurrent:			
Long-term bonds payable	1,100,000		1,100,000
	1,294,504	15,677	1,310,181
<u>NET ASSETS</u>			
Invested in capital assets (net of debt)	23,543,703	1,803,655	25,347,358
Unrestricted	752,989	430,181	1,183,170
Total Net Assets	\$ 24,296,692	\$ 2,233,836	\$ 26,530,528

**TOWN OF NEW CASTLE, NEW HAMPSHIRE
BALANCE SHEET
GENERAL FUND
30-Jun-10**

	General Funds
<u>ASSETS</u>	
Cash & Equivalents	\$ 663,443
Investments	2,531
Accounts receivable	2,376
Tax deeded property	1,029
Tax liens receivable	31,840
Due from water fund	5,139
Due from sewer fund	10,538
Prepaid expenditure	100,000

TOTAL ASSETS	\$ 816,896
	=====
<u>LIABILITIES AND FUND BALANCE</u>	
Liabilities	
Accounts payable & accrued expenses	\$ 72,148.00

TOTAL LIABILITIES	\$ 72,148.00

<u>FUND BALANCE:</u>	
Unreserved	
Designated	
Undesignated	744,748

TOTAL FUND BALANCE	744,748

TOTAL LIABILITIES & FUND BALANCE	\$ 816,896
	=====

**TOWN OF NEW CASTLE, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENDITURES,
AND OTHER SOURCES AND USES
BUDGET AND ACTUAL
GENERAL FUND
for the fiscal year ended June 30, 2010**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
<u>REVENUES AND OTHER SOURCES:</u>			
TAXES			
Property Taxes	\$ 3,474,493	\$ 3,471,208	\$ (3,285)
Boat Taxes	5,000	3,214	(1,786)
Interest & Penalties on Taxes	3,000	3,533	533
	-----	-----	-----
	3,482,493	3,477,955	(4,538)
LICENSES, PERMITS & FEES:			
Motor Vehicle Permit Fees	248,000	226,323	(21,677)
Building Permits	14,600	12,728	(1,872)
Other Licenses, Permits & Fees	1,800	1,794	(6)
	-----	-----	-----
	264,400	240,845	(23,555)
STATE OF NEW HAMPSHIRE:			
Shared Revenue	0	0	0
Meals & Rooms Tax Distribution	45,516	45,516	0
Highway Block Grant	16,311	15,647	(664)
Conservation Grant	0	5,162	5,162
Other State Funds	0	0	0
	-----	-----	-----
	61,827	66,325	4,498
FEDERAL GOVERNMENT	0		0
CHARGES FOR SERVICES			
Income from departments	101,000	118,824	17,824
TRANSFERS:			
Conservation funds	0	338	338
	-----	-----	-----
MISCELLANEOUS SOURCES:			
Interest on Investments	24,050	2,816	(21,234)
Sale and Rental of Property	10,700	15,165	4,465
Fines and Forfeits	4,200	845	(3,355)
Other Miscellaneous Sources	6,400	10,933	4,533
	-----	-----	-----
	45,350	29,759	(15,591)
	-----	-----	-----
TOTAL REVENUES	\$ 3,955,070	\$ 3,934,046	\$ (21,024)

TOWN OF NEW CASTLE, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENDITURES,
AND OTHER SOURCES AND USES
BUDGET AND ACTUAL
GENERAL FUND
for the fiscal year ended June 30, 2010

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
EXPENDITURES & OTHER USES			
GENERAL GOVERNMENT:			
Executive	\$66,480	\$ 72,181	\$ (5,701)
Election, Reg. & Vital Stats	17,606	16,588	1,018
Financial Administration	113,568	106,352	7,216
Revaluation of Property	17,574	13,236	4,338
Legal Expense	16,500	23,710	(7,210)
Merit pool account	36,000	0	36,000
Planning and Zoning	18,266	11,065	7,201
General Government Buildings	24,500	7,478	17,022
Cemeteries	8,633	8,587	46
Insurance - Unallocated	32,897	36,435	(3,538)
Other General Government	10,000	0	10,000
	-----	-----	-----
	362,024	295,632	66,392
PUBLIC SAFETY:			
Police & Animal Control	308,725	347,252	(38,527)
Ambulance	17,004	16,215	789
Fire	230,621	226,420	4,201
Emergency Medical Services	14,481	14,291	190
Building Inspection	11,838	15,987	(4,149)
Emergency Management	11,864	7,693	4,171
	-----	-----	-----
	594,533	627,858	(33,325)
HIGHWAYS & STREETS:			
Highways & Streets Maintenance	122,361	86,159	36,202
Street Lighting	7,750	9,468	(1,718)
	-----	-----	-----
	130,111	95,627	34,484
SANITATION:			
Administration	1,695	1,428	267
Solid Waste Collection	100,529	84,500	16,029
Solid Waste Disposal	33,000	33,534	(534)
	-----	-----	-----
	135,224	119,462	15,762
HEALTH:			
Administration	1,200	1,076	124
Pest Control	23,050	23,050	0
Health Agencies & Hospitals	12,650	12,650	0
	-----	-----	-----
	\$ 36,900	\$ 36,776	\$ 124

**TOWN OF NEW CASTLE, NEW HAMPSHIRE
STATEMENT OF REVENUES, EXPENDITURES,
AND OTHER SOURCES AND USES
BUDGET AND ACTUAL
GENERAL FUND
for the fiscal year ended June 30, 2010**

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE</u>
WELFARE:			
Direct Assistance	\$10,000	\$ 2,315	\$ 7,685
	-----	-----	-----
CULTURE AND RECREATION:			
Parks and Recreation	106,890	115,399	(8,509)
Library	61,345	61,345	0
Recreation/Library Building	27,250	20,843	6,407
Recreation Commission	7,700	7,371	329
	-----	-----	-----
	203,185	204,958	(1,773)
	-----	-----	-----
CONSERVATION:			
Other Conservation	27,953	24,583	3,370
	-----	-----	-----
INTEREST ON DEBT:			
Long-term	30,000	24,096	5,904
Short-term	0	641	(641)
	-----	-----	-----
	30,000	24,737	5,263
	-----	-----	-----
CAPITAL RESERVES:			
Transfers To Trust Funds	95,000	95,000	0
	-----	-----	-----
PAYMENTS TO OTHER GOVERNMENTS:			
County Taxes	656,468	656,468	0
Education Taxes *	1,729,956	1,729,956	0
	-----	-----	-----
	2,386,424	2,386,424	0
	-----	-----	-----
Transfer to Capitol Project Fund	28,000	28,000	
	-----	-----	-----
Total Expenditures and Other Uses	4,039,354	3,941,372	97,982
	-----	-----	-----
Excess of expenditures & other uses over revenue and other sources	(\$84,284)	(\$7,326)	\$76,958
	=====	=====	=====
* Local Assessment	\$ 159,560		
State Enhanced Assessment	\$ 1,570,396		

	\$ 1,729,956		
	=====		

TOWN OF NEW CASTLE, NEW HAMPSHIRE
PROPRIETARY FUNDS
STATEMENT OF NET ASSETS
June 30, 2010

	<u>WATER FUND</u>	<u>SEWER FUND</u>
<u>ASSETS</u>		
Current Assets:		
Cash (overdraft)	\$ 69,634	\$ (114,706)
Investments	182,320	50,000
Accounts receivable	1,156	9,434
	-----	-----
Total Current Assets	253,110	(55,272)
Non-Current:		
Equipment	10,633	0
Service Lines and Stations	653,512	1,621,619
Less Accumulated Depreciation	(219,899)	(14,190)
	-----	-----
Total non-current assets	444,246	1,607,429
	-----	-----
TOTAL ASSETS	\$ 697,356	\$ 1,552,157
	=====	=====
<u>LIABILITIES</u>		
Current Liabilities:		
Due to general fund	5,139	10,538
Total Current Liabilities	5,139	10,538
	-----	-----
Total Liabilities	5,139	10,538
<u>NET ASSETS</u>		
Invested in capital assets	470,811	1,332,844
Unrestricted	221,406	208,775
	-----	-----
Total Net Assets	\$ 692,217	\$ 1,541,619
	=====	=====

TOWN OF NEW CASTLE, NEW HAMPSHIRE
PROPRIETARY FUNDS
STATEMENT OF REVENUE, EXPENSES & CHANGES
IN FUND NET ASSETS
for fiscal year ended June 30, 2010

	<u>WATER</u>	<u>SEWER</u>
OPERATING REVENUE	\$ 48,429	\$ 241,463
OPERATING EXPENSES:		
Water Purchases	21,380	0
Sewerage Assessment	0	210,291
Personnel Services	13,958	29,684
Non-Personnel Services	25,652	19,896
Depreciation	12,000	3,000
	-----	-----
Total Operating Expenses	72,990	262,871
	-----	-----
Operating Income (Loss)	(24,561)	(21,408)
Non-Operating Revenues:		
Investment Earnings	428	0
	-----	-----
Income (Loss) Before Transfers	(24,133)	(21,408)
Transfers	-----	-----
Change in Net Assets	(24,133)	(21,408)
Net assets at beginning of year	716,350	1,563,027
Contributed Capital - Town	0	0
	-----	-----
Net Assets at End of Year	\$ 692,217	\$ 1,541,619
	=====	=====

TOWN OF NEW CASTLE, NEW HAMPSHIRE
PROPRIETARY FUNDS
STATEMENT OF CASH FLOWS
for fiscal year ended June 30, 2010

FUNDS PROVIDED:

	Water Fund	Sewer Fund
Net Income (loss) for the Year (change in net assets)	\$ (24,133)	\$ (21,408)
Add Back Depreciation	12,000	3,000
	-----	-----
	(12,133)	(18,408)
	-----	-----
Decrease in working capital	\$ (12,133)	\$ (18,408)
	=====	=====

CHANGES IN ELEMENTS OF WORKING CAPITAL:

Increase (Decrease) in Current Assets:

Cash and Investments	\$ (7,537)	\$ (16,422)
Accounts Receivable	324	8,194
	-----	-----
	(7,213)	(8,228)

Increase (Decrease) in investment activities:

Equipment, service lines and stations	0	0
	-----	-----

(Increase) decrease in current liabilities:

Deposits and accounts payable	(4,920)	(10,180)
	-----	-----

Decrease in working capital	\$ (12,133)	\$ (18,408)
	=====	=====

TOWN OF NEW CASTLE, NEW HAMPSHIRE
SCHEDULE OF LONG-TERM DEBT
GENERAL FUND
30-Jun-10

	<u>BOND</u>			<u>PRINCIPAL</u>			<u>BOND</u>			<u>INTEREST</u>	
	Original Issue	Stated Interest Rate	Maturity Date	Balance 7/1/2009	Issued 7/1/09- 6/30/2010	Balance 6/30/2010	Due 7/1/2010 6/30/2011	Due Subsequently	Paid 7/1/09- 6/30/2010	Due 7/1/10- 6/30/2011	Due Subsequently
Public Safety Complex	\$ 1,070,325	4.00%	8/15/2019	0	\$ 1,070,325	\$ 1,070,325	\$ 105,325	\$ 965,000	\$ 20,899	\$ 34,408	\$ 155,884
Channel Islands	\$ 150,000	4.65%	12/30/2019	0	\$ 150,000	\$ 150,000	\$ 15,000	\$ 135,000	\$ 3,197	\$ 6,626	\$ 28,249
					\$ 1,220,325	\$ 1,220,325	\$ 120,325	\$ 1,100,000	\$ 24,096	\$ 41,034	\$ 184,133

Independent Auditor's Report

Board of Selectmen
Town of New Castle
New Castle, New Hampshire

I have audited the accompanying financial statements of the governmental activities, the business-type activities, and each major fund of the Town of New Castle, New Hampshire as of and for the year ended June 30, 2010, which collectively comprise the Town's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the Town's management. My responsibility is to express an opinion on these annual financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Governmental Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the annual financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the annual financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the government activities, the business-type activities, and each major fund of the Town of New Castle, New Hampshire, as of June 30, 2010, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the General Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The Town has implemented several new *Governmental Accounting Standards Board Statements* which has established net assets for governmental and business-type activities.

The management's discussion and analysis, appearing on the following pages, is not a required part of the basis financial statements but is supplementary information required by the *Governmental Accounting Standards Board*. I have applied certain limited procedures, which consist principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, I did not audit the information and express no opinion on it.

R. R. Bergeron
November 26, 2010
Portsmouth, NH

The entire auditor's report is on file at the Town Hall.

TOWN OF NEW CASTLE, NEW HAMPSHIRE
Schedule Of Town Property
For Fiscal Year Ending June 30, 2010

1.	Town Hall, land and building	\$871,200
	Furniture and equipment (Map 13 Lot 8)	80,000
2.	Recreation Building (Library) out bldgs/land	11,903,200
	Furniture and equipment (Map 5 Lot 13)	225,000
3.	Municipal Safety Complex (Map 13 Lot 7)	1,521,600
	Police Department Equipment	17,500
	Fire Department Equipment	340,000
4.	Highway Department, land and building	
	Equipment	45,000
	Material and supplies	6,000
5.	Water supply facilities	396,197
	Owned by Town of New Castle	
6.	Sewer plant and facilities	75,000
	Land and building (Map 16 Lot 48)	151,100
7.	School, land, and building	2,682,000
	Equipment (Map 12 Lot 33)	
8.	Islands: Long Rock & Mill (Map 8 Lot 11)	182,500
	Birch (Map 11 Lot 1)	23,200
9.	Cemeteries: Riverside (Map 15 Lot 10)	1,794,500
	Frost (Map 18 Lot 54)	372,900
	Prescott (Map 17 Lot 57)	349,600
	Oceanside (Map 5 Lot 13 Sublot 1)	1,051,100
10.	Other town owned lands and town buildings:	
	Pit Lane lot (Map 10 Lot 9 & Map 10 Lot 9 Sublot 1)	561,500
	Town Landing, Laurel Lane (Map 11 Lot 30)	138,200
	Sand Pit (Map 12 Lot 3)	655,500
	Town garage, land, & cemetery (Map 17 Lot 56)	433,000
	Old library building & land (Map 17 Lot 58)	483,600
	Land-Walbach (Map 19 Lot 01)	1,122,500
	Land-Fort Point (Map 19 Lot 02 Sublot 1)	1,684,600
	Other land (Map 16, Lot 50, 51)	42,700
	Wentworth Road (Map 4 Lot 25)	19,600

TOTAL	\$27,228,797
--------------	---------------------

TOWN OF NEW CASTLE, NEW HAMPSHIRE

FY2010 ASSESSED VALUATION REPORT

	NUMBER <u>OF ACRES</u>	ASSESSED <u>VALUATION</u>
LAND AND BUILDINGS:		
Value of Land Only		
Current Use	9.08	\$182
Conservation Restriction	14.52	11,962
Discretionary Easement RSA 79-C	1.76	387
Discretionary Preservation Easement RSA 79-D	0	0
Residential	304.02	441,472,400
Commercial/Industrial	10.05	17,877,100
	-----	-----
Total of Taxable Land	339.43	459,362,031
Tax Exempt/Non-Taxable	123.23	54,141,900
Value of Buildings Only:		
Residential		193,929,400
Commercial/Industrial		53,180,100

Total Taxable Buildings		247,109,500
Tax exempt & non -taxable bldgs		7,188,200
Public Utilities: Electric		1,283,100
Mature Wood and Timber		0

Valuation Before Exemptions		707,754,631
Blind Exemption (1)		50,000
Elderly Exemptions (5)		750,000
Deaf Exemption (\$50,000)		0

TOTAL DOLLAR OF EXEMPTIONS		800,000
NET VALUATION FOR MUNICIPAL, COUNTY & LOCAL EDUCATION TAX RATE COMPUTATION		\$706,954,631
Less Public Utilities		1,283,100

NET VALUATION FOR STATE EDUCATION TAX		\$705,671,531
		=====
TAX CREDITS:		
Totally & Permanently Disabled Veterans their spouses and widows (\$700 each)		
Other War Service Credits RSA 72:28 (\$500) (76)		38,500
	----	-----
TOTAL NUMBER AND AMOUNT (76)		\$38,500
		=====

TOWN OF NEW CASTLE, NEW HAMPSHIRE

2010 TAX RATE COMPUTATION

	---Municipal Portion---	
Gross Appropriations	\$2,422,719	
Less: Revenues	982,570	
Less: Shared Revenues	0	
Add: Overlay	12,147	
Add: War Service Credits	38,500	

Net Town Appropriation	1,490,796	
Special Adjustment	0	

Approved Town/City Tax Effort	1,490,796	
Municipal Tax Rate		\$2.11
	---School Portion---	
Net Local School Budget	1,962,704	
Regional School Apportionment	0	
Less: Adequate Education Grant	0	
State Education Taxes	(1,545,648)	
Approved School Tax Effort	417,056	
Local Education Tax Rate		0.59
	---State Ed Taxes---	
Equalized Valuation (no util) X \$2.19		
705,775,493	1,545,648	
Divide by Local Assessed Valuation (no utilities)		
705,671,531		
State Education Tax Rate		2.19
Pay to State	0	
	---County Portion---	
Due to County	644,027	
Less: Shared Revenues	0	

Approved County Tax Effort	644,027	
County Tax Rate		0.91

Combined Tax Rate		\$5.80
Total Property Taxes Assessed	4,097,527	
Less: War Service Credits	(38,500)	
Add: Village District Commitment(s)	0	

Total Property Tax Commitment	\$4,059,027	

TOWN OF NEW CASTLE, NH
TRUST FUNDS
STATEMENT OF RECEIPTS AND DISBURSEMENTS
For Fiscal Year Ended 30 Jun 2010

	BALANCE			BALANCE
<u>PRINCIPAL</u>	<u>30 Jun 09</u>	<u>RECEIVED</u>	<u>DISBURSED</u>	<u>30 Jun 10</u>
Road Race	\$19,512.87	\$0.00	(\$19,512.87)	\$0.00
Marchand	\$6,035.80	\$304.43	\$0.00	\$6,340.23
Sewer	\$325,685.37	\$0.00	\$0.00	\$325,685.37
Library	\$9,629.64	\$20.36	\$0.00	\$9,650.00
Cemetery Maint	\$141,490.86	\$13,559.14	\$0.00	\$155,050.00
Special Education	\$87,251.47	\$0.00	\$0.00	\$87,251.47
School Tuition	\$35,000.07	\$0.00	\$0.00	\$35,000.07
Vehicle & Equipment	\$292,741.14	\$195,000.00	(\$428,364.39)	\$59,376.75
School Bldg	\$0.00	\$15,000.00	\$0.00	\$15,000.00
Water	\$0.00	\$0.00	\$0.00	\$0.00
	-----	-----	-----	-----
<u>TOTAL PRINCIPAL</u>	\$917,347.22	\$223,883.93	(\$447,877.26)	\$693,353.89

<u>INCOME</u>				
Road Race	\$3,548.45	\$813.36	(\$4,361.81)	\$0.00
Marchand	\$1,071.84	\$335.14	(\$304.43)	\$1,102.55
Sewer	\$76,088.80	\$19,841.75	\$0.00	\$95,930.55
Library	\$69.14	\$488.54	(\$445.36)	\$112.32
Cemetery Maint	\$0.00	\$6,647.84	(\$359.14)	\$6,288.70
Special Education	\$21,702.35	\$5,205.75	\$0.00	\$26,908.10
School Tuition	\$6,377.17	\$1,959.67	\$0.00	\$8,336.84
Vehicle & Equipment	\$0.00	\$11,786.61	(\$11,786.61)	\$0.00
School Bldg	\$0.00	\$37.25	\$0.00	\$37.25
Water	\$0.00	\$0.00	\$0.00	\$0.00
	-----	-----	-----	-----
TOTAL INCOME	\$108,857.75	\$47,115.91	(\$17,257.35)	\$138,716.31
	=====	=====	=====	=====
TOTAL TRUST FUNDS	\$1,026,204.97	\$270,999.84	(\$465,134.61)	\$832,070.20
	=====	=====	=====	=====

TOWN OF
NEW CASTLE
NEW HAMPSHIRE

2011 WARRANT

BUDGET
FISCAL YEAR 2011/2012

BUDGET OF THE TOWN WITH A MUNICIPAL BUDGET COMMITTEE

OF: New Castle

BUDGET FORM FOR TOWNS WHICH HAVE ADOPTED
THE PROVISIONS OF RSA 32:14 THROUGH 32:24

Appropriations and Estimates of Revenue for the Ensuing Year January 1, _____ to December 31, _____

or Fiscal Year From July 1, 2011 to June 30, 2012

IMPORTANT:

Please read RSA 32:5 applicable to all municipalities.

1. Use this form to list the operating budget and all special and individual warrant articles in the appropriate recommended and not recommended area. All proposed appropriations must be on this form.
2. Hold at least one public hearing on this budget.
3. When completed, a copy of the budget must be posted with the warrant. Another copy must be placed on file with the town clerk, and a copy sent to the Department of Revenue Administration at the address below within 20 days after the meeting.

This form was posted with the warrant on (Date): _____

BUDGET COMMITTEE

Please sign in ink.

Under penalties of perjury, I declare that I have examined the information contained in this form and to the best of my belief it is true, correct and complete.

D-N-F-II
Thomas F. Smith
Edna J. Smith
[Signature]
[Signature]

THIS BUDGET SHALL BE POSTED WITH THE TOWN WARRANT

FOR DRA USE ONLY

NH DEPARTMENT OF REVENUE ADMINISTRATION
 MUNICIPAL SERVICES DIVISION
 P.O. BOX 487, CONCORD, NH 03302-0487
 (603)271-3397

1	2	3	4	5	6	7	8	9
	PURPOSE OF APPROPRIATIONS (RSA 32:3 V)	OP Bud. Warr. Art.#	Appropriations 7/1/10-6/30/11 Approved by DRA	Actual Expenditures 7/1/09-6/30/10	SELECTMEN'S APPROPRIATIONS 7/1/11-6/30/12 (Recommended) (Not Recommended)		BUDGET COMMITTEE'S APPROPRIATIONS 7/1/11-6/30/12 (Recommended) (Not Recommended)	
GENERAL GOVERNMENT								
4130-4139	Executive		67770	72181	71207		71207	
4140-4149	Election Reg & Vital Statistics		31906	16588	33199		33199	
4150-4151	Financial Administration		102109	106350	106427		106427	
4152	Revaluation of Property		12622	13236	40680		40680	
4153	Legal Expense		16500	23710	15700		15700	
4155-4159	Personnel Administration		32000	0	33104		33104	
4191-4193	Planning & Zoning		19066	11065	19065		19065	
4194	General Government Buildings		19000	7478	19000		19000	
4195	Cemeteries		10883	8587	10883		10883	
4196	Insurance		38500	36435	46800		46800	
4197	Advertising & Regional Assoc.							
4199	Other General Government		10000	0	10000		10000	
PUBLIC SAFETY								
4210-4214	Police		391130	347252	409937		409937	
4215-4219	Ambulance		17026	16215	17303		17303	
4220-4229	Fire		250454	240711	262212		262212	
4240-4249	Building Inspection		14456	15987	14806		14806	
4290-4298	Emergency Management		7683	7693	7800		7800	
4299	Other (Including Communications)							
AIRPORT/AVIATION CENTER								
4301-4309	Airport Operations							
HIGHWAYS & STREETS								
4311	Administration							
4312	Highways & Streets		120056	86159	121725		121725	
4313	Bridges							

1	2	3	4	5	6	7	8	9
ACCT. #	PURPOSE OF APPROPRIATIONS (RSA 32:3 V)	OP Bud. Warr. Art.#	Appropriations 7/1/10-6/30/11 Approved by DRA	Actual Expenditures 7/1/09-6/30/10	SELECTMEN'S APPROPRIATIONS 7/1/11-6/30/12 (Recommended)	(Not Recommended)	BUDGET COMM. APPROPRIATIONS 7/1/11-6/30/12 (Recommended)	(Not Recommended)
HIGHWAYS & STREETS (cont.)								
4316	Street Lighting		7750	9468	7750		7750	
4319	Other							
SANITATION								
4321	Administration		1725	1428	1725		1725	
4323	Solid Waste Collection		93000	84500	93000		93000	
4324	Solid Waste Disposal		29000	33534	28594		28594	
4325	Solid Waste Clean-up							
4326-4329	Sewage Coll. & Disposal & Other							
WATER DISTRIBUTION & TREATMENT								
4331	Administration							
4332	Water Services							
4335-4339	Water Treatment, Conserv. & Other							
ELECTRIC								
4351-4352	Admin. and Generation							
4353	Purchase Costs							
4354	Electric Equipment Maintenance							
4359	Other Electric Costs							
HEALTH/WELFARE								
4411	Administration		1277	1077	1277		1277	
4414	Pest Control		23050	23050	23050		23050	
4415-4419	Health Agencies & Hosp. & Other							
4441-4442	Administration & Direct Assist.		10000	2315	10000		10000	
4444	Intergovernmental Welfare Payments							
4445-4449	Vendor Payments & Other							

1	2	3	4	5	6	7	8	9
ACCT #	PURPOSE OF APPROPRIATIONS (RSA 32:3.V)	OP Bud. Warr. Art.#	Appropriations 7/1/10-6/30/11 Approved by DRA	Actual Expenditures 7/1/09-6/30/10	SELECTMEN'S APPROPRIATIONS 7/1/2011-6/30/12 (Recommended)	SELECTMEN'S APPROPRIATIONS 7/1/2011-6/30/12 (Not Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS 7/1/11-6/30/12 (Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS 7/1/11-6/30/12 (Not Recommended)
CULTURE & RECREATION								
4520-4529	Parks & Recreation		164205	143613	169868		169868	
4550-4559	Library		61345	61345	61345		61345	
4583	Patriotic Purposes							
4589	Other Culture & Recreation							
CONSERVATION								
4611-4612	Admin & Purch. of Nat. Resources		31453	24583	26178		26178	
4619	Other Conservation							
4631-4632	Redevelopment and Housing							
4651-4659	Economic Development							
DEBT SERVICE								
4711	Princ - Long Term Bonds & Notes		125000	0	141410		141410	
4721	Interest-Long Term Bonds & Notes		55960	24096	20678		20678	
4723	Int. on Tax Anticipation Notes		650	641	5000		5000	
4790-4799	Other Debt Service							
CAPITAL OUTLAY								
4901	Land							
4902	Machinery, Vehicles & Equipment							
4903	Buildings							
4909	Improvements Other Than Bldgs							
OPERATING TRANSFERS OUT								
4912	To Special Revenue Fund							
4913	To Capital Projects Fund							
4914	To Enterprise Fund							
	- Sewer		289471	262871	306114		306114	
	- Water		55672	72990	67882		67882	

1	2	3	4	5	6	7	8	9
ACCT.#	PURPOSE OF APPROPRIATIONS (RSA 32:3.V)	OP Bud. Warr. Art.#	Appropriations 7/1/10-6/30/11 Approved by DRA	Actual Expenditures 7/1/09/6/30/10	SELECTMEN'S APPROPRIATIONS 7/1/2011-6/30/12 (Recommended)	(Not Recommended)	BUDGET COMMITTEE'S APPROPRIATIONS 7/1/2011-6/30/2012 (Recommended)	(Not Recommended)
	OPERATING TRANSFERS OUT (cont.)							
	- Electric							
	- Airport							
4918	To Nonexpendable Trust Funds							
4919	To Fiduciary Funds							
	OPERATING BUDGET TOTAL		2110719	1755158	2203719		2203719	

MS-7

Budget - Town of New Castle FY 2012

1	2	3	4	5	6
ACCT.#	SOURCE OF REVENUE	Warr. Art.#	Actual Revenues 7/1/09-6/30/10	Selectmen's Estimated 7/1/11-6/30/12	Budget Committee's Est. Revenues
TAXES					
3120	Land Use Change Taxes - General Fund				
3180	Resident Taxes				
3185	Timber Taxes				
3186	Payment in Lieu of Taxes				
3189	Other Taxes		3214	3500	3500
3190	Interest & Penalties on Delinquent Taxes		3533	3500	3500
	Inventory Penalties				
3187	Excavation Tax (\$.02 cents per cu yd)				
LICENSES, PERMITS & FEES					
3210	Business Licenses & Permits				
3220	Motor Vehicle Permit Fees		226323	213000	213000
3230	Building Permits		12728	20100	20100
3290	Other Licenses, Permits & Fees		1794	2060	2060
3311-3319	FROM FEDERAL GOVERNMENT				
FROM STATE					
3351	Shared Revenues				
3352	Meals & Rooms Tax Distribution		45516	45500	45500
3353	Highway Block Grant		15647	21075	21075
3354	Water Pollution Grant				
3355	Housing & Community Development				
3356	State & Federal Forest Land Reimbursement				
3357	Flood Control Reimbursement				
3359	Other (Including Railroad Tax)				
3379	FROM OTHER GOVERNMENTS				
CHARGES FOR SERVICES					
3401-3406	Income from Departments		118824	118250	118250
3409	Other Charges				
MISCELLANEOUS REVENUES					
3501	Sale of Municipal Property		8000	5000	5000
3502	Interest on Investments		2816	1000	1000
3503-3509	Other		18942	95850	95850
INTERFUND OPERATING TRANSFERS IN					
3912	From Special Revenue Funds				
3913	From Capital Projects Funds				

1	2	3	4	5	6
ACCT.#	SOURCE OF REVENUE	Warr. Art.#	Actual Revenues 7/1/09-6/30/10	Selectmen's Estimated 7/1/11-6/30/12	Budget Committee's 7/1/11-6/30/12
INTERFUND OPERATING TRANSFERS IN (cont.)					
3914	From Enterprise Funds				
	Sewer - (Offset)		241463	306092	306092
	Water - (Offset)		48857	67500	67500
	Electric - (Offset)				
	Airport - (Offset)				
3915	From Capital Reserve Funds				
3916	From Trust & Fiduciary Funds				
3917	Transfers from Conservation Funds		338		
OTHER FINANCING SOURCES					
3934	Proc. from Long Term Bonds & Notes				
	Amounts Voted From Fund Balance				
	Estimated Fund Balance to Reduce Taxes				
TOTAL ESTIMATED REVENUE & CREDITS			747995	902427	902427

BUDGET SUMMARY			
	PRIOR YEAR 7/1/10-6/30/11	SELECTMEN'S 7/1/11-6/30/12	BUDGET COMMITTEE'S 7/1/11-6/30/12
Operating Budget Appropriations Recommended (from pg. 5)	2110719	2203719	2203719
Special Warrant Articles Recommended (from pg. 6)	298500	225550	225550
Individual Warrant Articles Recommended (from pg. 6)	13500	13500	13500
TOTAL Appropriations Recommended	2422719	2442769	2442769
Less: Amount of Estimated Revenues & Credits (from above)	798493	902427	902427
Estimated Amount of Taxes to be Raised	1624226	1540342	1540342

Maximum Allowable Increase to Budget Committee's Recommended Budget per RSA 32:18: 226718
(See Supplemental Schedule With 10% Calculation) 8

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Rev. 10/10

THE STATE OF NEW HAMPSHIRE
TOWN OF NEW CASTLE

TOWN WARRANT FOR 2011

ROCKINGHAM, SS
NEW CASTLE, NH

To the inhabitants of the Town of New Castle, in the County of Rockingham and State of New Hampshire, qualified to vote in town affairs:

You are hereby notified to meet at the New Castle Recreation Center, Great Island Common, in said New Castle, on Tuesday, 10th of May 2011, to act upon Articles I through III. The business session of the Annual Town Meeting will commence at seven o'clock in the evening to act upon Articles IV through XVI. The polls for the election of Town Officers and Ballot Articles will open at nine o'clock in the forenoon and shall not be closed before seven o'clock in the evening.

ARTICLE I: To choose all necessary Town Officers for the following year.
(ON THE BALLOT)

ARTICLE II: Zoning Amendment Number 1: Are you in favor of adopting Zoning Amendment Number 1, as proposed by the Planning Board to amend the Zoning Ordinance under Section 2.3 to insert a new definition as follows:

A Walkout Basement: A basement having the exterior elevation equal to or below the elevation of the existing basement floor and being accessed through a door or opening at grade level.

(ON THE BALLOT)

ARTICLE III: Building Code Number 1: Are you in favor of adopting Building Code 1, as proposed by the Planning Board to amend the Building Code under Section 14 to amend the wording for Conflicts as follows:

In any areas of conflict between the Building Code and the Town Zoning Ordinance, the more restrictive Code or Ordinance shall govern.

(ON THE BALLOT)

ARTICLE IV: To see if the Town will vote to raise and appropriate the Budget Committee's recommended operating budget in the amount of \$2,203,719. for the general operation of the Town.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE V: To see if the Town will vote to change the purpose of the existing Town Vehicle and Equipment Expendable Trust Fund for the purpose of purchasing town vehicle and equipment and limit expenditures to vehicles and equipment with values equal to or in excess of \$10,000.00 per item with a life expectancy of five (5) years or longer and further to name the Board of Selectmen as agents to expend from this fund. (2/3 vote required)

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE VI: To see if the Town will vote to raise and appropriate the sum of \$18,550 (Eighteen Thousand Five Hundred and Fifty dollars) to be added to the New Castle Conservation Fund for the purpose of grant matching and conservation projects as proposed by the Conservation Commission.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE VII: To see if the Town will vote to raise and appropriate the sum of \$103,000 to be added to the Vehicle and Equipment Trust Fund previously established.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE VIII: To see if the Town will vote to raise and appropriate \$104,000 for the construction of a State approved sidewalk adjacent to Wentworth Road from the

Wentworth-by-the-Sea Association property to Wild Rose Lane. The sidewalk will be 80% subsidized by a Federal Transportation Enhancement Grant. The total cost of the project will be \$104,000 (including a 15% contingency); where \$83,200 (80%) is guaranteed to be reimbursed by the Federal Transportation Enhancement Grant, resulting in a net total expense to the Town of \$20,800. This project is contingent upon the receipt of the Federal Transportation Grant. If the grant is not received this article will be null and void.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE IX: To see if the Town will vote to raise and appropriate the sum of \$13,500 to be used to pay Town donations to local non-profit agencies as follows:

1. A Safe Place	\$500
2. Adult Learner Service Program	\$100
3. Aids Response - Seacoast	\$200
4. American Red Cross	\$500
5. Area Home Care & Family Services	\$1,250
6. CASA – Court Appt Special Advocates	\$200
7. Child & Family Services	\$600
8. Families First	\$300
9. McFarland Children’s Center	\$250
10. Meals on Wheels	\$1,500
11. Prescott Park Arts Festival	\$200
12. Rockingham County Community Action	\$100
13. RSVP – The Friends Program	\$1,000
14. Salvation Army	\$1,000
15. SeaCare Health Service	\$400
16. Seacoast Hospice	\$1,250
17. Seacoast Mental Health Center	\$2,550
18. Seacoast Visiting Nurses Assoc.	\$250
19. Sexual Assault Support Services	\$250
20. Wentworth Connections	\$350
21. Womanaid of Greater Portsmouth	\$750
<hr/>	
Total	\$13,500

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE X: To Modify the Elderly Exemption Article (72:39-b)
Shall we modify the provision of RSA 72:39-b for elderly exemptions? The exemption based on assessed value for qualified taxpayers shall be as follows: a person 65 to 74 years of age or older, \$125,000; for a person 75 to 79 years of age, \$175,000; for a person 80+ years of age and above, \$225,000.

To qualify, the person must have been a New Hampshire resident for at least five years, own

the real estate individually or jointly, or if the real estate is owned by such person's spouse, they must have been married for at least five years. In addition, the taxpayer must have a net income of not more than \$40,000 or if married, a combine net income of less than \$55,000; and own net assets not in excess of \$150,000 excluding the value of the person's residence. If passed, this exemption will be effective for 2012 taxes.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE XI: To Modify the Disabled Resident Article (RSA 72:37c)

Shall we modify the provision of RSA 72:37c for a disabled exemption? The exemption based on assessed value for qualified taxpayers shall be \$75,000. To qualify, the person must have been a New Hampshire resident for at least five years, and own and occupy the real estate individually or jointly, or if the real estate is owned by a spouse, they must have been married for at least five years. In addition, the taxpayer must have a net income of not more than \$40,000 or, if married, a combined net income of not more than \$55,000; and own assets not in excess of \$150,000 excluding the value of the person's residence. If passed, this exemption will be effective for 2012 taxes.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE XII: To Modify the Blind Exemption Article (RSA 72:37)

Shall we modify the provisions of RSA 72:37 for a blind exemption? The blind tax exemption based on assessed value for qualified taxpayers shall be \$50,000. To qualify, the person must have been a New Hampshire resident for at least five years, and own and occupy the real estate individually or jointly, or if the real estate is owned by a spouse, they must have been married for at least five years. In addition, the taxpayer must have a net income of not more than \$40,000 or, if married, a combined net income of not more than \$55,000; and own assets not in excess of \$150,000 excluding the value of the person's residence. If passed, this exemption will be effective for 2012 taxes.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE XIII: To Modify the Deaf Exemption Article (RSA 72:38-b)

Shall we modify the provisions of RSA 72:38-b for a deaf exemption? The deaf exemption, based on assessed value for qualified taxpayers shall be \$50,000. To qualify, the person must have been a New Hampshire resident for at least five years and own and occupy the real estate individually or jointly, or if the real estate is owned by a spouse, they must have been married for a least five years. In addition, the taxpayer must have a net income of not more than \$40,000 or, if married, a combined net income of less than \$55,000; and own net assets not in excess of \$150,000 excluding the value of the person's residence. If passed, this exemption will be effective for 2012 taxes.

Recommended by the Budget Committee and the Board of Selectmen

ARTICLE XIV: To see if the Town will vote to modify the Town Ordinance Noise Prohibition in Section IV - Excessive Noise Prohibition to read as follows:

1. Notwithstanding any provision to the contrary, no person shall be permitted to cause a radio, television, phonograph, or other machine capable of sound to operate at an unreasonable loud volume. The above items are listed by way of illustration rather than limitation. The test of reasonableness shall be applied and factors such as the nature and duration of the sound, the time of day or night the sound occurs, and whether other persons have been disturbed by the excessive noise are material considerations.

2. No person shall operate a motor vehicle, motorcycle, motor scooter, moped, snowmobile, or OHRV on the No public streets or any other public place in the Town of New Castle so that the vehicle makes an unnecessary and excessively loud, unusual or other unnecessary noise, including but not limited to such noises as:

As used in this Article, the following terms shall have the meanings indicated:

Loud, unusual or other unnecessary noise: Includes any noise occasioned by any one (1) or more of the following actions of the operator of any vehicle:

- A. Misuse of power exceeding tire traction limits in acceleration, sometimes know as “laying down rubber” or “peeling rubber.”
- B. Misuse of braking power exceeding tire traction limits in deceleration where there is no emergency.
- C. Rapid acceleration by means of quick upshifting of transmission gears with either a clutch and manual transmission or an automatic transmission.
- D. Rapid deceleration by means of quick downshifting of transmission gears with either a clutch and manual transmission or an automatic transmission.
- E. Racing of engines by manipulation of the accelerator, gas pedal, carburetor or gear selection, whether the vehicle is either in motion or standing still.
- F. The blowing of any horn except as a warning signal or the use of any other noisemaking device, whether the vehicle is either in motion or standing still.
- G. The defective or altered condition of the vehicle, engine system, muffler (as defined in RSA 266:59), and other moving parts.

Vehicle – Includes a bus, highway building equipment, motorcycle, motor truck, motor vehicle, semitrailer, sidecar, tractor, trailer or other vehicle all as defined by RSA 259:122, as amended.

No person, company, contractor, or their employee shall engage in exterior construction that results in excessive noise except after 7am and one half hour (1/2) before sunset. (Addendum 3-16-98)

3. Exterior construction shall include but not be limited to:
- a. Excavation
 - b. Heavy equipment operation
 - c. Blasting
 - d. Exterior carpentry

The Board of Selectmen may allow a waiver of this section under special circumstances as determined by the Board. State and Local government officials are exempt from this section. Violation will be subject to an order to abate the noise source and be subject to a \$150.00 fine.


ARTICLE XV: To hear the reports of agents, officers, committees, boards, and others heretofore chosen and to pass any vote in relation thereto.

ARTICLE XVI: To transact such other business as may legally come before the meeting.

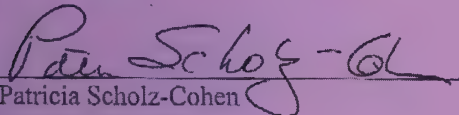
Given under our hand and seal this 18th day of April, in the year of our Lord, Two Thousand and Eleven.
A true copy of warrant – attest



Lorn Buxton, Chairman



Peter Ganesher



Patricia Scholz-Cohen
Board of Selectmen

THE STATE OF NEW HAMPSHIRE
TOWN OF NEW CASTLE
TOWN WARRANT FOR 2011

We hereby certify that we gave notice to the inhabitants within named, to meet at the time and place and for the purpose within mentioned, by posting an attested copy of the within Warrant at the place of meeting within named and a like attested copy at the Post Office and Town Hall, both being a public place in said Town of New Castle.



Lorn Buxton, Chairman



Peter Gamster



Patricia Scholz-Cohen
Board of Selectmen

Town of New Castle
April 18, 2011

TOWN OF NEW CASTLE, NEW HAMPSHIRE
TAX COLLECTOR'S REPORT (MS-61)
for the fiscal year ended June 30, 2010

	LEVY 2010	FOR 2009	PRIOR YEAR LEVIES 2008	2007+
<u>UNCOLLECTED TAXES:</u>				
Property Taxes				0.00
This Years' New Credits	(\$8,499.68)			
<u>TAXES COMMITTED THIS YEAR:</u>				
Property Taxes		\$3,474,597.00		
<u>OVERPAYMENTS:</u>				
Property Taxes				
Abatements by Check		0.00		
Interest Collected on Delinquent Taxes		4,526.62		
Credits Refunded	\$ 8,499.68			
TOTAL DEBITS	\$ -	\$3,479,123.62	0.00	0.00
<u>REMITTED TO TREASURER:</u>				
Property Taxes		\$3,456,732.27		
Interest/penalties		4,526.62		
Conversion to Liens		11,923.73	0.00	
<u>ABATEMENTS:</u>				
Abatements		5,941.00		
UNCOLLECTED TAXES AT 6/30/09		0.00		
Overpayments returned		0.00		
TOTAL CREDITS	\$ -	\$3,479,123.62	0.00	0.00
<hr/>				
	2010	2009	2008	2007+
<u>UNREDEEMED LIENS</u>				
<u>LIENS EXECUTED:</u>				
Unredeemed liens balance beg of FY			\$ 5,566.50	2,181.42
Liens executed during FY	\$ 13,156.82			
Interest & Costs			238.10	0.00
Unredeemed Elderly Liens beg of FY			5,514.00	\$ 6,045.00
Elderly Liens Executed during FY		2,945.00	2,209.00	1,970.00
TOTAL LIEN DEBITS	\$ -	\$ 16,101.82	\$ 13,527.60	\$ 10,196.42
<u>REMITTED TO TREASURER:</u>				
Redemptions			\$ 3,131.62	0.00
Interest & Costs			238.10	0.00
Abatements of Unredeemmed Liens			2,434.88	2,181.42
Unredeemed Liens End of FY	\$ 13,156.82			
Unredeemed Elderly Liens End of FY	\$ -	2,945.00	7,723.00	\$ 8,015.00
TOTAL CREDITS	\$ -	\$ 16,101.82	\$ 13,527.60	\$ 10,196.42

**TOWN OF NEW CASTLE, NEW HAMPSHIRE
RECEIPTS OF THE TOWN CLERK
for fiscal year ended June 30, 2010**

Motor Vehicle Permits	\$ 226,353.00
Vital Records	308.00
All Other Sources	98.00
TOTAL RECEIPTS	<u>226,759.00</u>

PAYMENTS REMITTED TO TREASURER	<u>\$ 226,729.00</u>
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Dog licesnses	\$ 557.50
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**TOWN OF NEW CASTLE, NEW HAMPSHIRE
REPORT OF THE TREASURER
for the fiscal year ended June 30, 2010**

The following is the balance of all accounts in the custody of the Treasure
as of June 30, 2010

GENERAL FUND:

Checking Account	\$ 79,343.12
NH Public Deposit Investment Pool	2,531.40
Bank North Investment Pool	514,730.79
Capital Project for Back Channel Islands	54.21
Capital Project for Public Safety Complex	187.24
Recreation Fund	3,393.48
Safe Path	6,249.42
Conservation Funds	389.06

DEPARTMENT OF PUBLIC WORKS:

Checking Account	\$ 4,929.00
NH Public Deposit Investment Pool	\$ 132,319.95

Respectfully Submitted

William B. Marshall, III
Treasurer

**TOWN OF NEW CASTLE, NEW HAMPSHIRE
PUBLIC LIBRARY
STATEMENT OF RECEIPTS
AND DISBURSEMENTS
fiscal year ended June 30, 2010**

RECEIPTS:

Town Appropriations	\$ 61,345.00
School Appropriations	3,000.00
Designated Gifts	939.01
Donations	1,381.40
Investments	458.76
Other	335.00

TOTAL RECEIPTS	\$ 67,459.17
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DISBURSEMENTS:

Books	\$ 5,693.45
Videos	2,553.46
Children's Books	3,282.81
Periodicals & Newspapers	1,188.39
Payroll & Payroll Taxes	38,446.41
Software, Hardware, & Support	3,178.00
Operations	6,502.08
Programs & Professional Expenses	1,520.40
Other	772.44

TOTAL DISBURSEMENTS	\$ 63,137.44
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NET INCREASE (DECREASE) IN CASH	\$ 4,321.73
CASH ON HAND 6/30/2009	\$ 17,562.44

CASH ON HAND 6/30/2010	\$ 21,884.17
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TOWN OF NEW CASTLE, NEW HAMPSHIRE

REPORT OF THE TOWN CLERK/TAX COLLECTOR

The income for motor vehicle registrations once again decreased; this year the town received \$4,883 less than the 2009 income of \$231,206. The previous year saw a decrease of about \$17K compared to 2008 income, so we are seeing a diminution of the trend downward. The net decrease in revenue since 2008 is about \$22K, or about 9%.

Motor vehicle permits represent a major income stream for the town. It is difficult to predict what will happen next year: some say the economic indicators will continue in their upward trend and one might assume the town will once again receive \$248K for permit fees, as it did in 2008. However, this morning (March 3) as I write this, the cost of a gallon of regular gasoline at local stations is over \$3.50 and in other states the cost has reached \$4.00/gallon. I do not know how the inflated price of gasoline will affect car registrations, but I, for one, will pump up the tires on my trusty Schwinn.

Tax Matters:

The business of tax collecting is a most serious endeavor. I am pleased to say that the citizens of New Castle step up to pay their portion with grace and sometimes a bit of humor. Next year, unless legislation is passed to change the law (and the constitution), no one will be smiling. The town will receive a bill from the state for \$1.1 million, which would add \$1.60 to the tax rate. Write to Representatives Brian Murphy and Will Smith, Senator Nancy Stiles, and Governor Lynch. Tell them what you think about the Donor Town law.

Respectfully submitted,
Priscilla Hodgkins
Town Clerk & Tax Collector

POLICE DEPARTMENT REPORT

The New Castle Police Department would like to first take this opportunity to thank all the New Castle residents over the past year and a half for the support of our department. I would also like to take this time to recognize a promotion of Sergeant Alex Mitrushi who brings to our department a wealth of knowledge with his nine year experience with both Rye and Dover Police Departments.

Sgt. Mitrushi has been recently certified as our field training officer. I would also like to recognize Officer Jared Knox who has two years part-time experience with the New Hampshire Marine Patrol, Jared has recently graduated from the 153rd full-time New Hampshire Police Academy and is currently certified as our new firearms instructor. Officer Kurtis Boissonneault is now currently enrolled at the NH Police Academy and will be graduating from the 154th academy class on April 8, 2011. So by the time you read this, Officer Boissonneault will be back on patrol with a wealth of knowledge that he has obtained from his 14 weeks at the NH Police Academy. Officer Boissonneault is also currently certified as our Oleorisin Capsicum (OC) instructor.

Officer Mathew Tyler joined the department in 2010 and recently completed the part-time NH Police Academy and is also certified as our work zone and flagger instructor. Officer Derek Poirier is the most recent officer to complete the part-time NH Academy and has just completed his field training. You will be seeing him on the roads patrolling the town.

A great majority of 2010 was spent on training these new officers in order to serve the community in the most professional manner possible and with the most up to date skills and knowledge. The New Castle residents can rest assure that the officers employed by the town are professional, respectful, dedicated, well trained and ready to serve.

A few words before I finish writing this article: Remember the roads are narrow, so keep a mindful eye on your speeds, and if you see anything suspicious please call 911. Keep your vehicles locked and your homes secure. Also, we are getting a new police cruiser in April. This new police vehicle will be a 2011 Chevy Tahoe, and yes, we are changing the color of the cruiser from white to black with silver lettering. I wish all of you a healthy and happy 2011 year.

Respectfully submitted,
Police Chief Donald A. White Jr.

2010 STATISTICS

Total Calls for Service	3722	Total Crime Related Incidents	39
Total Arrests	18	Theft Reports	12
Protective Custody	2	Trespass Violations	9
Motor Vehicle Stops	1340	Narcotics Cases	1
Summonses	60	Property Checks	999
Accidents	13	Assist Citizens	128
MV Complaints	4	Assist Town Dept.	97
DWI	3	Parking Enforcement	109
Alarms	54	Parking Tickets	56
Animal Control Incidents	13		

FIRE DEPARTMENT/EMERGENCY MANAGEMENT REPORT

2010 marks the first full year we have occupied the new fire station. I am pleased to report that it has been tested by 70 knot winds, torrential rains, heavy snow loads and loss of power for three days. The structure and systems held up fine with only a few minor discrepancies that were corrected by the builder.

Engine 2, a 1982 Pierce pumper, was replaced by Engine 4, a new 2011 Pierce pumper. This new truck has a 1500 gallon per minute pump, a 780 gallon water tank, a Compressed Air Foam system, and meets current NFPA and safety standards. This truck will increase the firefighting capabilities of the department. The Compressed Air Foam system (C.A.F.S.) can be 5 times more effective fighting fire than plain water. Also a charged C.A.F.S. hoseline is 1/3 the weight of a standard water-filled hoseline, resulting in a much faster and easier hoseline for the firefighters to deploy and operate. This truck should serve the town for the next 25 years.

We had several new members join the department:

Firefighter Brian Bane from U.S.C.G station Portsmouth Harbor
Firefighter Jessica Carroll from Portsmouth
Firefighter/EMT Candidate Greg Ludes from New Castle
Firefighter Nick Sands from Dover
Firefighter/EMT Candidate Chris Pamboukes from Portsmouth

Three of our Coast Guard members have transferred:

Firefighter/EMT Marisa Moe to Bahrain
Paramedic Joe Thagard to USCGC Scioto on the Mississippi River
Firefighter/EMT John Roberts, the Officer in Charge of Station Portsmouth Harbor, was promoted to Chief Warrant Officer and has orders to USCGC Monomoy, homeported in Bahrain

The department responded to 175 calls for service including 78 medical aid calls. Department training was held every Monday night, excluding holidays. Emergency Medical training was held on the second Wednesday evening of each month. The New Castle Fire Department stands ready in service to the town.

Respectfully submitted,
David M. Blanding, Fire Chief/Emergency
Management Director

PLANNING BOARD REPORT

Mark Connolly passed the Chairman's gavel to me in November 2010, and I strive to follow his example of leadership and excellence in my new position as Chairman of the New Castle Planning Board. I am fortunate to have former Chairman Stu Levenson as a Board Member, and Mark Connolly has graciously agreed to remain on the Board as an alternate member. Ned Robinson continues his duties as Vice-Chairman and able second-in-command.

Proposed changes to the Zoning Ordinance and Building Code for 2011 include a new definition under section 2.3 of the Zoning Ordinance to define a "Walkout Basement." A change to the terminology for Conflicts under Section 14 of the Building Ordinance is also proposed, to clarify that the more restrictive ordinance or rule controls as between state and local regulations.

Work continues on the Town's Master Plan under the leadership of Committee Chair Stu Levenson. This update is expected to include a new section on energy as well as one on land conservation.

The Planning Board is responsible for the Capital Improvement Plan (CIP) and will be undertaking work on the CIP in 2011 in an effort to augment the CIP and create a user-friendly document for the Town's reference.

The Planning Board continues to review projects under the ambit of the Comprehensive Shoreland Protection Act, enacted in 1991, as subsequently amended. The Act requires an applicant to come before the Board to obtain a permit in advance of any work in the sensitive shoreland buffer zone. The Act provides, in short, that no person may undertake any activity in the protected shoreland zone that could affect surface water quality standards or cause shore erosion without first obtaining a permit from the Planning Board. The Board approved several projects in the Town's shoreland zone last year after review and scrutiny of any potential impacts on protected areas. The Board seeks to ensure that the shorelands of New Castle remain a vital resource for the community for future generations.

The Planning Board works closely with the Board of Selectmen, Zoning Board of Adjustment, Conservation Commission, Historic District Commission, Building Inspector, State and County officials, and Townspeople of New Castle, in order to carry out its zoning and planning functions for the Town.

I would like to thank the members of the Planning Board for their time and efforts: Ned Robinson, Vice-Chairman; Patty Cohen, Selectwoman; former Chairman, Stu Levenson; Dave Merrill; Darcy Horgan; Eric Katz; David McArdle; Mark Connolly; and esteemed Recording Secretary, Anita Colby; all of whom help to keep the Town of New Castle the special place that we know and love.

Respectfully submitted,
Haden Gerrish, Chairman

ZONING BOARD OF ADJUSTMENT REPORT

During the calendar year 2010, the Zoning Board of Adjustment received ten applications from New Castle residents seeking relief from various provisions of our Zoning Ordinance. Seven of those applications resulted in a public hearing, one will be heard in 2011, one was withdrawn and one was dismissed for lack of jurisdiction. The applications presented to the Zoning Board in 2010 were the following:

01. 40 Atkinson Street, Amendment to variance issued in May 2009, permitting construction of a fence in the front-yard setback---APPROVED.
02. 15 Piscataqua Street, Variance to permit addition of second floor master bedroom constructed over family room with no additional floor space on first floor—APPROVED.
03. 90 Little Harbor Road, Variance not required, application withdrawn.
04. 53 Portsmouth Avenue, Variance to permit minimum 7 foot side-yard setback (revised from 6 foot minimum side-yard setback) where ten (10) foot set-back required—APPROVED.
05. 65 Portsmouth Avenue, Variance to permit 11 foot side-yard setback where 15 foot side-yard setback required and to permit to permit reconstruction and addition to non-conforming structure within wetlands buffer—APPROVED.
06. 40 Atkinson Street, Variance to permit addition/construction of dormer window on existing non-conforming structure—DENIED.
07. 48 Spring Hill Road, Variance to permit construction of attached garage and second floor master bedroom—DENIED.
08. 11 Atkinson Street, Variance to permit construction of freestanding garage with second floor office—DENIED.
09. 116 Morgans Way, A request for a special exception to permit construction of permanent snack bar on an existing on-water permanent dock or pier was reviewed. The ZBA determined, upon advice of counsel, that the State of New Hampshire had preempted the right to regulate the construction of docks, piers, wharves and accessory structures extending over public waters and, therefore, the New Castle ZBA lacked jurisdiction to grant or deny the special exception.
10. 34 Wentworth Road, Hearing continued to April 2011.

New Castle residents planning either new construction or remodeling projects are encouraged to familiarize themselves with the New Castle Zoning Ordinance, and to confer with the New Castle Building Inspector for assistance in determining whether an application need be presented to the ZBA. If an application is required, in order to expedite a hearing, the application should file, not only a completed application form, but also drawings with complete dimensions and a written statement outlining how the proposed project meets the criteria set forth in Section 10.5 of the Zoning Ordinance (see also New Hampshire RSA Section 674:33).

During the year the Zoning Board of Adjustment lost two valuable members through retirement, Chair Susan Stetson and Janet Harrigan. The Board thanks them for their service to the community and for the many hours donated to the equitable enforcement

of the Zoning Ordinance. The Chair also thanks the continuing members of the ZBA, Donald Moore, Russ Cox, Will Smith and Mark Gardner, for their service to the town.

The Board also wishes to extend its appreciation to Don Graves, New Castle Building Inspector, Pam Cullen, Secretary to the Board of Selectmen and to Anita Colby, Secretary for their help to the ZBA in the performance of its obligations to the Town and its residents. Without their help the ZBA would be unable to function.

Respectfully submitted,
Ned Robinson, Chair

HISTORIC DISTRICT COMMISSION REPORT

The Historic District Commission (HDC), during the year of 2010, worked on the preservation and protection of the historic buildings and architectural landscape of New Castle's Historic District. We focused on the continuity of scale and architectural style of buildings in the district.

During the year, we had two major projects, one an extensive rehab of a 1930's colonial style house at 12 Walbach, the other a tear down of a historic house, well beyond repair, replaced by a New Englander style house, which worked to incorporate architectural features from the town of New Castle.

Other projects dealt with the addition of dormers and replacement of sheds, garages and windows.

As a sign of the times, the HDC was presented with two projects to install solar panels. Most of the board seemed to feel that solar panels do not necessarily affect the historic integrity of the structure. To gain a better understanding of the impact of energy efficiency and the installation of solar panels on the historic district, we invited Ann Stevenson Phd, a local expert, to educate us on the issues. She has written a guide for historic districts called Energy Efficiency, Renewable Energy and Historic Preservation. The commission decided after some consideration that we should establish our own guidelines for the installation of solar panels. A committee made up of Marj Smith, Peter Follansbee and Nancy Borden met and created this set of guidelines. The planning board has reviewed them and we are awaiting their go ahead.

The issue of large permanent generators built in view of public streets was also brought up. These are becoming more common with the loss of power experienced during recent major storms. The commission decided that these fell within the scope of our mission.

I would like to thank the HDC board members for their commitment and seriousness with which they make decisions and again Anita Colby for her gracious assistance and guidance.

Respectfully submitted,
Nancy Borden, Chairwoman

CONSERVATION COMMISSION REPORT

The year 2010 brought beetles, marsh restoration, rain barrels, and a Gundalow to the island - a rewarding medley of projects! These projects all focus on water quality in one way or another. Healthy wetlands and marshes, and the native plants that thrive there, provide healthy ecosystems and act as filters for our groundwater.

Rain Garden

In August, work began on a new demonstration rain garden located behind the Recreation Building at the Great Island Common. A rain garden is a shallow depression that is planted with deep-rooted native plants and grasses. The garden is positioned near the Rec. Building's roof runoff source and in an area that collects water from the large parking area behind the building. The rain garden collects all this water, allows it to slowly soak into the ground, and filters out contaminants before the water reaches the town's drain system. A rain garden can mimic the natural absorption and pollutant removal activities of a forest, a meadow or a prairie and can absorb runoff more efficiently, sometimes as much as 30% - 40% more, than a standard lawn. This project was funded by a grant from the Piscataqua Region Estuaries Partnership (PREP) with the help of the NH Coastal Partnership and invaluable assistance from The Great Island Garden Club, whose members purchased and installed the native plants. An educational sign will be placed next to the garden in the spring of 2011 to inform residents and visitors about the benefits of rain gardens and to demonstrate how they work. It is hoped that this rain garden will serve as an educational tool for town residents, students as well as other local communities struggling to find ways to mitigate nitrogen pollution and to protect the local watershed.

Rain Barrels and the Gundalow

In an effort to control storm water run-off and promote healthy waterways, the Conservation Commission established a new and on-going rain barrel purchase program. These rain barrels were manufactured locally by Skyjuice, Inc. of Maine, which provided them at a discounted price to town residents. The Piscataqua watershed is degrading due to the run-off of nitrogen from lawns, gardens and roofs. Rain barrels not only conserve water but they also allow the water collected to be released slowly, thus decreasing nitrogen, controlling storm-water runoff, and reducing erosion. The fun part of this story is that, early in June, the rain barrels were delivered by Gundalow! Certainly a first for New Castle! Working in concert with The Gundalow Company, the Commission brought the gundalow, Captain Edward H. Adams, to the shores of New Castle for educational and social events centered on local history and our waterways. Many local groups and organizations were involved, including the New Castle Historical Society, The Great Island Garden Club and the Thursday morning Men's Coffee. It was a wonderful week of community building events designed to increase awareness and to promote advocacy for our waterways.

Beetles Vs. Invasive Plants

Working with the NH state entomologist, two thousand leaf-feeding beetles (*Galerucella* spp) were released into a wetland area to reduce the growth and reproduction of the invasive purple loosestrife. The adult beetles feed on the leaves of purple loosestrife and lay their eggs. Once the eggs have hatched, the larvae feed on the leaves and stems as they move down into the soil. The larvae cause the most damage to the plant and reduce the number of seeds

produced. This method of using a living organism to control a pest is known as biological control (biocontrol) and it has proven to be very effective.

Commission Vs. Invasive Plants

(1) The Commission expanded restoration and ecological enhancement at the Great Island Common this year. Along with continued work at the Pitch Pine barren, dunes, and Bull Toad Pond, the Commission began a major reduction of invasive species along the sides of the Oceanside Cemetery area and along the southern boundary of the park. These areas had become overgrown with multi-flora rose and bittersweet. Many native trees, shrubs, and ground covers were already killed or were being threatened by these invasive plants. Pockets of the highly invasive swallow-wort needed treatment as well. Grant funds from the Natural Resource Conservation Service (NRCS) allowed for brush removal and herbicide treatment during spring, summer, and fall. Continued treatment of the invasives and strategic replanting of native vegetation is planned for this last phase of what has been a substantial ten-year NRCS grant.

(2) In an effort to encourage treatment of invasive plants throughout the town, the Commission expanded its collaboration with Public Works, the Historical Society, the Cemetery Committee, and citizens of the town who sought assistance.

Salt Marsh Restoration

Efforts continue to restore the island's degraded salt marshes. At the Quarterdeck Lane portion of the Lavenger Creek marsh, work progressed on the removal and treatment of phragmites and other invasive plants in order to encourage the return of native plants and to create wildlife habitat. A grant from the Piscataqua Region Estuaries Partnership (PREP) funded an evaluation of the small but vital River Road marsh. Recommendations were made for the restoration of tidal flow to improve the health of native salt marsh vegetation and to reduce habitat for invasive plants. An Aquatic Resource Mitigation (ARM) grant, from the NH Department of Environmental Services will provide major funding for the project. The Rockingham County Conservation District (RCCD) provided crucial professional services for both grant applications and project management. Work on this project will commence in the spring of 2011.

The Green Team

Commission and Green Team members logged over 120 hours in volunteer time at the Common, Lavenger Creek Marsh, and River Road Marsh in 2010. These hours contribute toward the required match for grants and therefore reduce money spent by the Town.

During 2010, the NCCC reviewed thirteen (13) wetlands applications as part of the town's process for residents wishing to embark on major landscaping or construction projects within the protected wetlands and shorelands. The Commission works with residents and guides them through the town and state regulations.

The hardworking members of the Conservation team are to be commended for their dedication to the cause of protecting and preserving the natural resources of the island.

Respectfully submitted,
Beth Hume, Chairwoman

REPORT OF THE PUBLIC WORKS WATER & SEWER

The responsibility of the Public Works Department is to manage all maintenance, administration, and capital expenditures relating to the water distribution system, as well as the sewer collection system that are owned by the town. The City of Portsmouth owns part of the water system; from the Wentworth Hotel, down Wentworth Road to the corner of Main Street. Properties situated with this area are billed directly by Portsmouth for their water usage.

HOW WATER & SEWER USAGE ARE MEASURED

Water meters measure in cubic feet and are billed in “units”. One unit of water = 748 gallons. The minimum charge for water is 20 Units (14,960 gallons)

HOW WATER AND SEWER ARE BILLED

Please note that our 30 year sewer contract with Portsmouth expired in 2008. Because Portsmouth has been federally mandated to upgrade its water and sewage processing, the increased costs of doing this are now reflected in our bills.

A “minimum charge” of 20 units applies to all accounts.

As you will have noticed, the minimum current rates for water and sewer have increased as follows: 20% Water---now \$41.80 25% Sewer---now \$166.25
Every unit beyond the minimum is charged as follows: Water--\$2.09 Sewer--\$8.31

Bills are issued in April, August, and December.

SEPARATE METER FOR OUTDOOR USE

Residents have the option of applying for a separate water meter for outdoor usage. This can be for watering the lawn, washing vehicles, etc. Water pumped through this secondary meter will only be charged for the water use, not for sewer usage, since no sewer is involved in this venue. All costs for this separate meter are born by the applicant. Application and full instructions are available at the Town Hall. An application must be filed and accepted prior to installing the second meter.

DPW MAINTENANCE BUILDING

The much-needed new DPW maintenance building at the Common is now completed. An open-house to view the facility is in the works. At this writing a date has not been set.

Respectfully submitted,
Walter H. Liff
Chairman, Public Works Board

ENERGY COMMITTEE REPORT

The energy activities to date that have occurred within the Town of New Castle since July 2009:

- The Town of New Castle completed an entirely new construction of their Fire/Police Safety Complex in the fall of 2009. The New Castle Energy Committee (NCEC) reviewed the design with the Project team and incorporated energy conservation and energy efficiency practices. The Project team and the architects conducted an analysis of the first level of LEED certification (24 out of 26 points were met) in the spring of 2009.
- At the “Town Complex” in New Castle there were two back-up generators installed, one at the Fire/Police Safety Complex and one at the New Castle Church, to provide power in the event of a power outage.
- The Town of New Castle was selected to be part of the Municipal Energy Assistance Program in December 2009. As part of the MEAP Program the municipal buildings were reviewed for their energy intensity factor and it was determined that the Town Hall was the best candidate for the comprehensive (Decision grade) energy audit. As one of the requirements of MEAP a building was to be identified that would meet the potential to save a minimum of 30% energy consumption. This Energy Audit of the New Castle Town Hall took place in January, 2010 with a thorough review of its heating system, energy usage (electrical and heating fuel), as well as thermo-imaging and a blower door test. A list of building improvements and other recommendations were provided and presented to the Town Selectmen.
- New Castle Energy Committee (NCEC) compiled and completed the grants for the New Hampshire Energy Efficiency and Conservation Block Grants (EECBG) in February 2010, and then obtained contractor quotes and submitted the comprehensive application by March 15, 2010. Two grants were submitted: one for the Town Hall in the Building Energy Efficiency Measures category, and the other for the New Castle School (Maude Trefethen Elementary School) in two categories: Building Energy, and Efficiency Measures and Renewable Energy. Unfortunately, in April 2010, New Castle did not receive any of the grant monies.
- A seminar was put on by the NCEC and held in May 2010, to provide technical information on Solar Energy installations and citing considerations to the community.
- A request for an extension to the NEGEF grant until September 15, 2010 was made in July, 2010. The NCEC needed more time to look into the renewable energy assessment portion and in addition to look into the Emergency Response and Preparedness Plan for New Castle, to see if we could include a renewable component. In September 2010, it was determined with agreement from the NEGEF that monies could be applied to assist the Town of New Castle during this time of limited funds. The New Castle Energy Committee obtained the approval of the town Selectmen to apply this \$1000 to install several items. These items were installed on October 12th. The outdoor Reset will save approximately 15% on fuel costs, while each Thermostat

- is anticipated to save 3%. Thus the project has the capacity to save approximately 21% of our energy costs. The balance of the money \$167.64 will be spent on materials to be purchased locally such as wall insulation, pipe insulation, etc, all to improve the sealing of the basement area from the first floor.
- The New Castle Energy Committee continues to work with the New Castle Selectboard and the Planning Board to incorporate the Energy Chapter into the Town of New Castle Master Plan.
- The Historic District Commission, with assistance from the NCEC, provided a guidelines for solar energy citing considerations and has submitted this to the Planning Board for their review.
- In November 2010, the NH Historic Preservation Alliance (Maggie Stier) came to New Castle to do a presentation to the Town Selectboard, NC Historic Commission and the NCEC. We discussed the process of how to register the New Castle Town Hall as a Historic site; among other discussions. The next steps have been to get the Town Hall designated on the state register, which would make it eligible for certain grant funds. To get started with this registration process, we need to select an architect and get a building assessment completed. The intent here is to incorporate the recommendations from the 2009 MEAP Energy Audit and interface this with the historic preservation assessment for the Town Hall.
- The Town of New Castle has been asked to participate in the NH Energy Technical Assistance Planning (ETAP) Program, which is designed to assist municipalities in tracking and understanding energy consumption in municipal buildings, benchmark energy performance and develop strategies to reduce energy costs. This is a free program and is funded by the American Recovery and Reinvestment Act of 2009 and administered by the NH Office of Energy and Planning. It is anticipated that we will develop an energy inventory database tool which will include the New Castle Public Safety Building and the DPW building. The ETAP program will provide us with this analytical Energy Inventory Tool that will be updated and maintained by the NCEC and be used for energy planning. As another part of the ETAP program, technical assistance will be provided to the Town for which the specific energy planning strategies will be reviewed with the Town Selectmen during the funding period through 2012.

Respectfully submitted,
Sandra Bisset, Chairwoman

BUILDING INSPECTOR'S REPORT

The New Castle Building Department had a vigorous year. A total of 176 building permits were processed in 2010. This represents an increase of 130% compared to 2009. The total revenue generated was \$21,220. A total of 174 inspections were performed encompassing all building, plumbing, electrical, mechanical, zoning and conservation related issues.

The building permit applications have been redesigned and are all now available online at Newcastlenh.org under the Building Department.

As a public safety message, it is recommended that you install a CO detector adjacent to your sleeping area, as well as change the batteries in your smoke detector.

The Building Department's office hours and inspection times are as follows:

Tuesday	5:00 – 6:30pm
Wednesday	12:30 - 5:30pm
Thursday	5:00 – 6:30pm

Telephone number is 603-431-6710 ext 15

Respectively submitted,
Donald Graves

A complete print out of all building permits issued in the year of 2010 can be obtained in the town office.

HISTORIAN'S REPORT

This year has been a continuation of assisting the New Castle Historical Society with their "New Castle by the Centuries" panels that have come to fruition as a permanent feature on the walls of the Old Library Museum. Considerable information regarding life on Great Island, later known as New Castle, is depicted with highlights of the development of the forts, the neighborhoods, the families, the fishing industry, the shipwrecks, as well as the evolution of boats, homes, transportation and lighthouses from the early 1600s to today.

In November, the six panels were installed and presented to the public at the Historical Society's annual meeting. At this standing room only affair, our friends and neighbors gathered to examine the wealth of details and the exquisite art work of this project. It has been my pleasure to work with Nancy Borden, Joan Lockhart, Elaine Nollet, Marg Smith, Joan Hammond, Jim Cerny, Bill Drew, Andy and Carol White. Also, I offer many thanks and appreciation to Denise Brown, the artist, who enthusiastically embraced our vision and brought it to life.

This year we received the generous gift of the White Family Genealogy written by Charles A. Petlick, whose family has lived on the island continuously from the 1600s to the present. This addition to our genealogy reference material will be invaluable to future researchers and historians. My heartfelt thanks to you Chuck, for this precious gift.

As always, I continue to assist people on their genealogical quests, as well as writers and other historians pursuing details of New Castle's history.

Respectfully submitted,
Deborah Hutchinson Schulte
Town Historian

ROAD AGENT REPORT

We still have a problem with trees and shrubs overhanging into the town roads. During the winter months we have removed obstructions and dead trees from town properties. We need the cooperation of all homeowners to trim back all low or overhanging shrubs that protrude into the town roads or obstruct the vision at intersections.

At the beginning of 2011 (the 2010-2011 budget year) we have had several large storms. Thank you for your help and support with hydrant and culvert cleaning, shoveling, and brush pick up on the roads.

The Town of New Castle road crew (Brad & Chris) would also like to sincerely thank everyone for the new building which we started using January 11, 2011. This new building makes our job much easier, safer, and is a better and happier environment in which to work.

Each year road cleaning and patching will be done as soon as possible in the spring. In 2010, we stayed well within our budget for salt and sand.

If you see any potential problems on the roads please give us a call – 603-431-6710 ext 13.

JOBS COMPLETED IN 2010

- o Several street signs replaced
- o Guard rails repaired on Piscataqua Street and River Road
- o Extensive road trimming
- o Three sewer man holes repaired on Piscataqua Street
- o Several large patch areas

Respectfully submitted,
Brad Meade
Road Agent

REPORT OF THE TRUSTEES OF THE TRUST FUNDS

The Town's Trust Funds totaled \$1,026,205 at fiscal yearend 30 Jun 09 and \$832,070 at fiscal yearend 30 Jun 10. These totals represent the sum of nine (9) separate funds representing permanent endowments, capital reserves and temporary escrows established by town meeting votes, school board votes, gifts and cemetery "Right to Inter" purchases. By State law the individual Trust Funds are maintained separately.

Library earnings were disbursed to the Library Trustees. Earnings from the Cemetery Maintenance Trust Fund were transferred to principal or retained as income in the Cemetery Maintenance Trust Fund. Funds from the other Trust Funds are disbursed in accordance with the requirements of the establishing body for the particular Trust Fund.

All assets in the Road Race Trust Fund were transferred to the Town Treasurer. This action was mandated by the passage of Article X at the New Castle Annual Town Meeting, 11 May 2010 and is authorized by NH RSA 35-B:2, II.

The Provident Bank continues to hold all of our Trust Funds. They remain a very conservative bank with zero exposure to the sub-prime market. All of our funds are insured. As of 30 Jun 2010 98.6% of the funds were invested in CDs. The remaining 1.4% of the funds were invested in savings accounts. All CDs are five (5) year CDs that mature between Aug of 2012 and Jun of 2015 with interest rates ranging from 2.50% to 5.25%. Savings accounts pay current money market rates. The return for FY 10 was ~3.9%. We are forecasting a total return of ~3.5% for fiscal year 2011.

The three Trustees meet as required for investment or disbursement purposes.

Please call if you have any questions.

Respectfully submitted,
Bill Cronin, Chair
Pete Reed
Tom Smith

TRUST FUND PURPOSE, TYPE, GOVERNING BODY, DATE ESTABLISHED & AUTHORIZATION

1. Marchand
 - a. Purpose - Acquire by purchase seeds, flowering plants, shrubs, bushes and trees to be used only at the Great Island Common. No man-made construction authorized.
 - b. Non-expendable – Only income may be used for authorized expenditures. Any accrued income not expended for a period of three (3) years shall become principal.
 - c. Governing body – Trustees of Trust Funds
 - d. Established 15 Nov 71
 - e. Authorized by the Andree Marchand will
2. Sewer
 - a. Purpose – Maintenance, repair and replacement of Sewer Department facilities
 - b. Expendable – Principal and income may be used for authorized expenditures
 - c. Governing body – Selectmen
 - d. Established 12 May 09
 - e. Authorized by the passage of Article IX, at the 12 May 09 town meeting
3. Library
 - a. Purpose – Fund library activities
 - b. Expendable – Principal and income may be use for authorized expenditures
 - c. Governing body – Library Trustees
 - d. Established 31 Jan 67
 - e. Authorized by RSA Title XVI, Libraries, Ch, 202-A, Sec 202-A:22
4. Cemetery Maintenance
 - a. Purpose – Maintenance and repairs of Town owned cemeteries
 - b. Non-Expendable – Only income may be used for authorized expenditures
 - c. Governing body - Cemetery Trustees
 - d. Established 27 Feb 1900
 - e. Authorized by RSA Title XXVI, Cemeteries; Burials; Dead Bodies, Ch 289, Cemeteries, Cemetery Trustees, Sec 289:9
5. Special Education
 - a. Purpose – Meeting the unanticipated expenses of educating educationally disabled children.
 - b. Expendable – Principal and income may be used for authorized expenditures
 - c. Governing body – School Board
 - d. Established 12 Feb 02
 - e. Authorized by the passage of Article 2, at the 12 Feb 02 School District meeting

6. School Tuition
 - a. Purpose – Paying the regular tuition costs for unbudgeted students attending the Rye Middle School and/or Portsmouth High School
 - b. Expendable – Principal and income may be used for authorized expenditures
 - c. Governing body – School Board
 - d. Established 09 Mar 05
 - e. Authorized by the passage of Article 4, at the 09 Mar 05 School District meeting
7. Vehicle & Equipment
 - a. Purpose – Purchase of capital equipment (currently defined by the State as purchases of \$10,000 or more with a life expectancy of 5 years or longer) for the Police, Fire and Public Works departments.
 - b. Expendable – Principal and income may be used for authorized expenditures
 - c. Governing body – Selectmen
 - d. Established 13 May 97
 - e. Authorized by the passage of Article 10, at the 13 May 97 town meeting
8. School Building & Grounds
 - a. Purpose – Renovating, maintaining and performing professional studies to the Maude H. Trefethen School
 - b. Expendable – Principal and income may be used for authorized expenditures
 - c. Governing body – School Board
 - d. Established 11 Mar 09
 - e. Authorized by the passage of Article 4, at the 11 Mar 09 School District meeting
9. Water
 - a. Purpose – Maintenance, repair and replacement of Water Department facilities
 - b. Expendable – Principal and income may be used for authorized expenditures
 - c. Governing body – Selectmen
 - d. Established 12 May 09
 - e. Authorized by the passage of Article X, at the 12 May 09 town meeting

LIBRARY TRUSTEES' REPORT

We enjoyed our second year under the leadership our Library Director Christine Collins and it was a very successful year. Christine's attention to our library patrons and the Maude H. Trefethen School has enabled us to provide outstanding service to the community. Her efforts at sorting and updating our collection were a major accomplishment this year, as was improving our connection to the N.H. State Library and the inter-library loan system. We count ourselves fortunate to have Christine directing our library.

Highlights and accomplishments from the previous year:

- In January & February we enjoyed a **5th / 6th grade Library Book Group** where we discussed Jeremy Fink and the Meaning of Life
- The library was awarded the **We the People Bookshelf Grant** through NEH/ALA in April providing 19 books for young readers and adults
- In May the library became home to a beautiful **Edmund C. Tarbell** painting (generously on loan from the Tarbell Charitable Trust)
- Hosted an active **Children's Summer Reading Program** with a tour of Portsmouth Harbor Lighthouse, a visit from our friend Maize (a R.E.A.D. certified dog), ocean crafts, games & pajama story time
- Celebrated **Banned Books Week** the last week of September
- Visited MHT each month for **Book Talks** where we discussed biographies, Black History Month, Poetry, Scientists in the Field series, the journeys books take you on
- Hosted children's author & illustrator **Kevin Hawkes** in September – he made two spirited presentations to MHT students regarding the creative process of writing & illustrating
- Hosted 17 children for **Flashlight Halloween Story Time** on October 26th
- Started a new **book group for 1st and 2nd graders** that will meet monthly throughout the year
- Upgraded technology at the library with two new **patron computers** and a second printer
- Coming in March, both a **Nook and a Kindle** for patron use with NH Downloadable Books (audio and eBooks)
- Welcomed 60 community members to our **Holiday Open House** on December 15th
- **Displayed the artwork** of talented local residents Jann Foster, Alex Kennedy, Maggie Kennedy and Maddi Alana

The Board of Trustees bid a fond farewell to Patty Hickey who has been serving on the Board in various capacities, most recently as Chair. Our warm appreciation to her for eleven years of devoted service. With the approval of the Selectmen, we appointed Jenny Rosenson to the vacant Trustee position. Jenny will be running for a three year term in May. Additionally, the Board, with the concurrence of the Selectmen, appointed Anna Ambrogio as an Alternate member.

We would like to thank our sixteen loyal volunteers who bring energy and enthusiasm to the day-to-day work of the library. They are an invaluable resource and indispensable to the operation of our community library. Thank you to: Pat D'Antonio, Anna Ambrogi, Louise Aspen, Carolann Ball, Barbara Bouchard, Paula Carroll, Mary Ann Driscoll, Jane Finn, Karin Gill, Brad Greeley, Maggie Kennedy, Joan Lockhart, Ann McAndrew, Barbara Muir, Jenny Rosenson, and Ellen Shea. They log more than 1000 volunteer hours over the year. We thank the New Castle community for your generous support of our public library. Come in, have a look at the displays, check your email and take out a book, DVD, or puzzle.

Library hours: Tuesdays 1-7, Wednesdays 1-5, Thursdays 9-3, Fridays 1-5, and Saturdays 9 -1.
Story time hours: Thursday at 9:30 and Saturday at 10:00.

Respectfully Submitted,
Brad Greeley, Chair of the Library Trustees
Sandy DeSisto, Treasurer
Jenny Rosenson, Secretary
Paula Carroll, Alternate
Anna Ambrogi, Alternate

CEMETERY TRUSTEES' REPORT

Tom Boisvert resigned as a trustee upon moving out of town and we wish to thank him for his eight years of service. The Selectmen have appointed Terri Golter as an interim trustee until the May elections.

The Cemetery Trustees manage five cemeteries: Riverside, Oceanside, Frost, Tarlton, and Marvin. We encourage families to plan ahead by buying a cemetery plot without the stress of a family emergency. Oceanside, opened in 2004, is the only cemetery with available plots and they are in three sizes: small cremation plots, 5x10 foot plots, and 10x10 foot plots. We recently affirmed our policy to limit sales to New Castle residents, and on a case by case basis, to those with a close connection to New Castle (such as former residents or town employees).

We had a small number of burials and lot sales in 2010 with some deaths recorded in New Castle resulting in burials elsewhere.

Respectfully submitted,
Dave Merrill, Chairman
Jim Cerny
Terri Golter



Detail of the John Blunt gravestone in the old Frost Cemetery across from the Congregational Church, showing the willow and urn iconography. (Photo taken by Jim Cerny)

SUPERVISORS OF THE CHECKLIST REPORT

There were three elections in 2010 that kept the Supervisors busy. On May 11, 2010, we had our Town Election when we welcomed our newly elected Supervisor, Darcy Horgan. She replaced Leslie Parker who served as a Supervisor for several years. Leslie had been a valuable asset as a Supervisor and her expertise and professionalism have greatly enhanced the work of the Supervisors. Leslie has been approved by the Election Net Team in Concord to remain as a Consultant.

The State Primary was held September 14, 2010, when we had a voter turnout of about 32% as compared to a statewide turnout of 25 %.

November 2, 2010, was the General Election in which the New Castle turnout of voters was an admirable 76% with 682 ballots cast.

All the elections ran smoothly, thanks to our capable volunteers who served as ballot clerks. A special thanks goes to them: Jane and Sam Page, John and Carolyn Payzant, Susan Gough, Nancy Almgren, Leslie Parker, Karen Mitchell, and Sally Gayer. If any of you registered New Castle voters would like to volunteer to help at an election, please let one of the Supervisors know about your interest!

In registering new voters, the Supervisors follow election laws established by the State of New Hampshire. If you are interested in understanding our election laws, there is a great deal of information at the Secretary of State's website: www.sos.nh.gov/electionsnew.html. New residents or first time voters may register with the Town Clerk during regular office hours. In addition, voters may register at elections or with the Supervisors of the Checklist at posted sessions (see the checklist or watch legal notices in the newspaper). When registering, please bring a photo ID and proof of your street address (not post office box) such as your driver's license, lease, or a bill. Changes to the checklist, such as party affiliation, address, or name, can also be made with the Town Clerk. A copy of the checklist is posted in the entryway to the Town Hall.

Respectfully submitted,

Sherri Becker, Chair

Mary Rauh

Darcy Horgan

RECREATION COMMITTEE REPORT

The 2010 Easter Egg Hunt drew over 100 children, who were thrilled to run around the Common and gather candy-filled eggs. Each child also received a special gift. Our special thanks go out to Pamela Stearns for helping to coordinate the activities, and the Fire Department, which once again provided transportation throughout town for the Easter Bunny.

Halloween proved to be full of Tricks and Treats! Over 125 brave souls managed enough courage to enter the haunted Town Hall to collect a bag full of treats.

Much of our effort in 2010 went into conducting the 16th Annual Great Island Road Race. It was our largest race ever, with 1340 people registered for the race including 54 hearty New Castle residents who ran or walked the 5K course. The race generated close to \$15,000, which is being used to support the Great Island Common playground and skating rink as well as the Portsmouth HS, Cross Country and Track teams, Rye JH Cross Country and Track teams and MHT Track team. Once again, the Kids Fun Runs were the highlight of the day for many, as 250 kids from 1 - 12 years of age took part. In appreciation for all of the great Fun Run artwork created by the kids at MHT, over 40 students were able to participate in the Fun Runs or 5K, free of charge. Once again we are thankful for all who were an integral part of the race, through baking food, and/or volunteering your time and resources. We would also like to thank the Police and Fire Departments for all of their effort to ensure the safety of all who participated and the following sponsors who are so vital to the race:

Holloway Mercedes-Benz, Wentworth by the Sea Marina, Ocean Properties/Wentworth by the Sea Hotel, Gastroenterology, PA, Donald R. Welsh JR DMD, Liberty Mutual, Sports Medicine Atlantic Orthopedics, Swix, Rocky Coast Print Works, The Runner's Alley, and Henry's Market.

Please be sure to join us on October 9th for this year's race!

This year has been a frustrating one for the skating rink. Immediately after installing the rink and before it could fully freeze, we were hit with a big snow storm. The timing couldn't have been any worse. By the time the ice had frozen enough to support the equipment, the surface was ruined. We have been waiting for a big thaw followed by freezing temperatures, but as I write this report, it looks like this will be our first winter without skating since we first installed the rink in 2002. We want to thank all our rink volunteers, and in particular Chet Fessenden, for their dedication and hard work setting up, maintaining and dismantling the rink each year.

The town of New Castle continues its close relationship with Rye Recreation. Rye offers a wide variety of programs to New Castle residents of all ages. If you have an interest, please contact Rye Rec. (964-6281), to get a full schedule of programs.

A healthy 2011 to all!

Respectfully submitted,
Guy Stearns
Recreation Committee Chairman

BIRTHS RECORDED IN NEW CASTLE JANUARY 1, 2010– DECEMBER 31, 2010

<u>Child's Name</u>	<u>Birth Date</u>	<u>Birth Place</u>	<u>Father's Name</u>	<u>Mother's Name</u>
Bonner, Lucy Ann	03/01/2010	Exeter, NH	Bonner, Christopher	McConathy, Jennifer

DEATHS RECORDED IN NEW CASTLE JANUARY 1, 2010 – DECEMBER 31, 2010

<u>NAME OF DECEASED</u>	<u>DATE OF DEATH</u>	<u>PLACE OF DEATH</u>
Schultz, William	01/21/2010	Manchester
Crosby, Irene	01/21/2010	New Castle
Roach, Bernard	02/25/2010	Portsmouth
Gil, Peter	03/04/2010	Dover
Pettigrew Sr., Michael	03/25/2010	Portsmouth
Colliton, Ellen	05/31/2010	New Castle
Wright, Ronald	06/27/2010	New Castle
Carroll Jr., Marshall	08/20/2010	New Castle
Martens Jr., Eugene	11/05/2010	Portsmouth
Morrill, Eugene	11/20/2010	Portsmouth
Rieseberg, Carolyn	12/27/2010	Exeter

MARRIAGES RECORDED IN NEW CASTLE JANUARY 1, 2010 – DECEMBER 31, 2010

<u>GROOM'S NAME</u>	<u>BRIDE'S NAME</u>	<u>DATE</u>	<u>LOCATION</u>
Bailey, Jonathan S.	Lorenc, Laurie A.	07/25/2010	New Castle

NEW CASTLE MUNICIPAL OFFICES

Selectmen's Office

Mon., Wed., Thurs., Fri.
Town Office Fax

431-6710 ext 10

8am to 2pm

433-6198

Town Clerk-Tax Collector

Mon., Wed. & Thursday

431-6710 ext 11

8am to Noon

Accountant

Mon., Wed., Thurs., Fri.

431-6710 ext 12

8am to 2pm

Library

Tuesday

Wednesday

Thursday

Friday

Saturday

431-6773

1 to 7pm

1 to 5pm

9 to 3pm

1 to 5pm

9am to 1pm

Fire/EMT's – Emergency

Business Line

Fire Fax

911 or 436-2515

436-1132

430-0162

Police – Emergency

Business Line

Police Fax

911 or 436-3113

436-3800

436-7710

Building Inspector

Tuesday

Wednesday

Thursday

431-6710 ext 15

5 to 6:30pm

12:30 to 5:30pm

5 to 6:30pm

All Town Boards

431-6710

Road Agent

431-6710 ext 13

Supr. Of Public Works/Common

431-6710 ext 13

Website

www.newcastlenh.org

PHOTOS COURTESY JIM CERNY



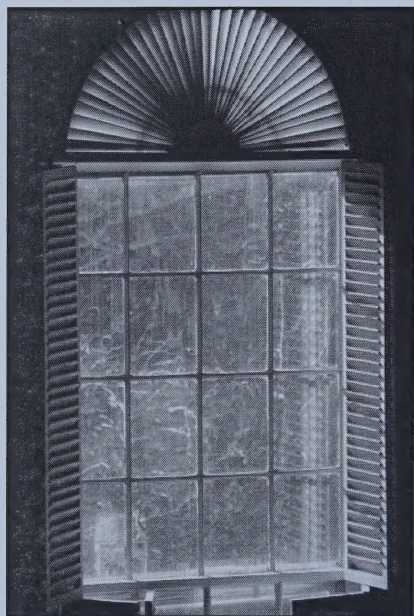
FROSTBITE SAILBOATS



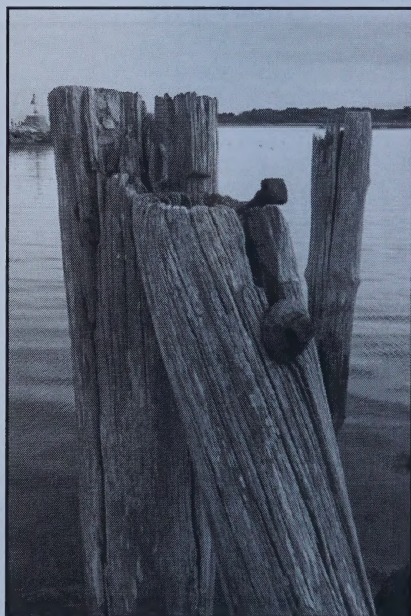
SURF ROLLING IN AT ODIORNE



GNOMON SUNDIAL AT PYC



NEW CASTLE CHURCH WINDOW



FORT STARK PILINGS

New Hampshire State Library



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DUSTAN KNIGHT